

**Palestinian poet praises Israeli writer**  
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# THE JERUSALEM POST

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## 'No change in W. Bank policy in wake of Sneh's departure'

by JOEL GREENBERG  
Defence Minister Yitzhak Rabin said yesterday there would be no change of policy in the territories following the departure of the head of the Judea and Samaria Civil Administration, Tat-Aluf (Brig. Gen.) Ephraim Sneh.

Rabin said Sneh was leaving for personal reasons, but hinted that policy disagreements had led to his resignation. Sneh is to step down after Rosh Hashana.

Speaking to reporters during a tour of Nablus, in which he was accompanied by Sneh, Rabin said: "I believe that the policy will remain as it has been until now. The policy for dealing with Judea and Samaria is uniform. Where there are people, there are nuances, and that's natural. I'm happy that there is an opportunity for people in the field to express opinions different from those of others."

Rabin revealed that Sneh has asked him several months ago to be allowed to step down at a later date. "A person's will should be respected," Rabin said. "His decision to leave is a personal one, based on personal motives."

Sneh's departure is widely considered to have been prompted by sharp policy disagreements with the

coordinator of activities in the territories, Shmuel Goren, most recently over the planned water-drilling project near Bethlehem. Sneh, considered a liberal administrator, maintained contacts with a broad range of Palestinians, including moderate PLO supporters, and was said to be at odds with Goren on some of the tougher Israeli policies in the territories. Goren limited Sneh's media appearances and is reported to have excluded him from recent discussions of the drilling project.

### VIEWPOINT - PAGE 2

Prominent Palestinian figures in the West Bank across the political spectrum yesterday expressed sorrow over Sneh's resignation, and some said they feared his departure would herald a change for the worse in Israeli policy in the West Bank. They said Sneh had won their confidence by his sincerity and achievements in improving services to the local population. Civil Administration expenditures on health rose sharply during Sneh's two-and-a-quarter-year term, quadrupling in the past year alone.

Dr. Yasir Obeid, a senior West Bank health official, said that under Sneh's administration new hospital

wards had been opened and facilities improved in unprecedented coordination with local Arab doctors. Bethlehem Mayor Elias Freij, who called Sneh "a real gentleman," said Sneh had proposed strong legal safeguards for protecting Arab water rights under the planned water-drilling project at Herodion.

Jewish settlers in the West Bank were critical of Sneh, saying that his "soft" policies toward Arabs had encouraged more terrorism. Gush Emunim spokesman Noam Arnon said the Civil Administration under Sneh had failed to crack down on pro-PLO newspapers and enforce the law against illegal Arab building, while it had extended the boundaries of Arab municipalities. He said Sneh rarely visited settlements, and had cool relations with Jewish communities in the West Bank.

Sneh's likely successor is Deputy Coordinator of Activities in the Territories Brig. Gen. Freddy Zach.

MK Yossi Sarid (Citizens Rights Movement) yesterday called for the appointment of an officer from outside the military government to replace Sneh to avoid what he said would be the instalment of an official completely subordinate to Goren.

## Report from Beirut: Israeli and SLA troops clash with Shi'ites

Jerusalem Post Staff  
Israeli troops backed by the South Lebanese Army punched north out of the security zone at sundown last night to attack Shi'ite Moslem bases, police sources in Beirut quoted by the Associated Press reported last night.

They said helicopter gunships flew repeated strafing sorties to back the Israeli force moving to flush out fighters in the foothills of Mount Hermon in the Shweya area.

The gunships dropped parachute flares to illuminate the Israeli operation, the sources reported.

The source said Shi'ite Moslem fighters were moving reinforcements from neighbouring districts to confront the Israeli thrust.

The security zone has come under increasing attack in recent months from Iranian-backed Shi'ite fighters.

There were no reports of any Shi'ite casualties.

## U.S.-Soviet talks dwell on human rights

# Accord signed to prevent accidental nuclear war

By DAVID MAKOVSKY  
Jerusalem Post Correspondent and Agencies

WASHINGTON - Soviet Foreign Minister Eduard Shevardnadze, describing 1987 as a relatively fruitful year for Soviet-U.S. relations, yesterday formally signed an agreement establishing centres in Moscow and Washington to lessen the chance of accidental nuclear war. The signing took place in the White House Rose Garden with President Ronald Reagan looking on. Secretary of State George Shultz signed for the United States.

The first round of the high level talks were largely devoted to human rights and afterwards at a White House briefing, Shultz said that he was "rather encouraged" by his private two-and-a-half hour discussion with Shevardnadze.

"We had a delegation in Moscow about two or three weeks ago in which both sides discussed the desirability of more systematic ways of examining the various issues involved under the general label of human rights. We made some progress there. Mr. Shevardnadze and I



As Vice President George Bush claps, President Reagan talks with Soviet Foreign Minister Shevardnadze following an exchange of remarks in the Rose Garden yesterday at the White House. (Renter)

discussed that some more this morning, and I think that it's possible that we'll have some progress that both sides will thing [of] as in its interest."

Shortly before the Rose Garden signing of the new agreement, Shevardnadze had arrived at the White

House with a letter for President Reagan from Soviet leader Mikhail Gorbachev. He refused to say whether the letter contained a proposed date for a superpower summit. Reagan described the nuclear risk (Continued on Page 2, Col. 5)

## CPI rises by 1.2% in August

By AVI TEMKIN  
Post Economic Reporter  
The Consumer Price Index (CPI) rose by 1.2 per cent last month, the Central Bureau of Statistics announced yesterday. The rise is 0.2 per cent less than the inflation figure that would have triggered payment of a cost-of-living increment in the September pay packet. Wage-earners will receive the increase in their October salaries, payable early in November.

By the time the increment is paid, seven months will have passed since the last increment, the longest period since 1972 without a cost-of-living compensation. In 1984 when the inflation rate was galloping at 400 per cent a

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## Jewish activists not being harassed

By CHARLES HOFFMAN  
Jerusalem Post Reporter

There has been no major harassment of Soviet Jewish activists over the past year and a half, Israeli sources familiar with Soviet Jewish affairs said yesterday. This assessment follows the release of Alexei Magarik, the last Prisoner of Zion, from a Siberian prison camp.

Magarik, a cellist who was arrested in March 1986 on a drugs charge, was on his way to Moscow yesterday, accompanied by his wife Natalia and former Prisoner of Zion Ari Volovsky.

The sources said that since Magarik's imprisonment no other Jewish activists have been arrested, none are in internal exile, and none are awaiting trial. In addition, the authorities have ceased breaking into the homes of Jewish activists to

stop Hebrew lessons or classes on Jewish culture.

The sources noted, however, that activists and refuseniks were still victims of minor harassment, such as being detained for questioning for several hours. But even this has declined recently, except for an incident this week in Moscow, the sources said. On Sunday the Soviet authorities rounded up about a dozen activists who had planned to demonstrate against anti-Semitism, and held them for questioning for several hours.

The sources said that the authorities seem to be trying to prevent Jewish activism from spreading to the younger generation, and have been harassing young people who take part in Jewish cultural activities. For example, the authorities

(Continued on Back Page)

## U.S. to close PLO office

By DAVID MAKOVSKY  
Jerusalem Post Correspondent

WASHINGTON - The U.S. State Department has notified the PLO-backed Palestine Information Office in Washington that it is to be shut down.

Security at U.S. embassies around the world had already increased in anticipation of PLO reprisals.

The issue of the PLO-backed offices, one in Washington and another in New York, has been brewing for 17 months.

Secretary of State George Shultz is expected to write to key congressional lawmakers about the closure of the Washington office, with the hope that it will halt movement toward closing the New York office as well.

Representative Jack Kemp (Republican-NY), a presidential candidate (Continued on Page 2, Col. 2)

## Arab boy shot dead in protests

By JOEL GREENBERG

A 12-year-old boy from the Balata refugee camp in Nablus was killed yesterday and two other persons wounded when IDF troops opened fire to break up a spate of violent protests.

The incidents came as beefed up troops patrolled the area while Defence Minister Yitzhak Rabin toured Nablus and met with local community leaders.

In the morning, a soldier opened fire after his vehicle was surrounded by a stone-throwing crowd in Balata. The soldier, who was alone in the car, said he had lost his way and blundered into the camp, where his vehicle came under a hail of stones. "A boy ran at me and threw a stone through a window," he said.

"It hit me in the ear and the back. There was a barrage of stones, and a car and tractor blocked the road. I

got out of the car and started shooting, three shots in the air, and when they continued to throw stones, I shot at their legs.

"I started to run away, and left the car there. I met soldiers on the road and called them. We went down with jeeps and opened fire a second time, and we got the car out."

Scattered protests continued throughout the day in Balata, where crowds set up barricades, burned tires and hurled stones at troops. At midday, an IDF patrol fired in the air and at the legs of protesters who hurled stones at the soldiers, but no casualties were reported.

Some time after 1:00 p.m., the body of a 12-year-old boy was brought to Rafidia Hospital in Nablus, but since it bore no apparent bullet wounds, the circumstances of the death were unclear, military sources said. The body was sent last night for

autopsy to the Abu Kabir forensic institute.

Sources in Nablus identified the dead boy as Hussein Shteiwi of Balata. They said he had been struck in the right eye by a bullet while walking to a grocery store in the early afternoon, when troops opened fire at a nearby protest.

In a later incident, IDF troops shot and wounded two protesters. Sources in Nablus identified them as 11-year-old Nasser al-Khatib, and Musa Jawad, 23.

The sources said tension has been rising at Balata following the wounding of a man Sunday night when he fled troops who stopped him for identification. Security forces are bracing for possible further unrest in expectation of Friday's anniversary of the 1982 massacres at the Sabra and Shatila refugee camps near Beirut.

## Ministry to use 'moral pressure' against merger

By JEFF BLACK

The Industry and Trade Ministry yesterday expressed its strong concern over a possible merger between a leading supermarket company and a small privately held chain but acknowledged that moral pressure was the only weapon it had to combat the proposed move.

Zeev Galmor, the ministry's official in charge of restrictive trade practices, said last night he had received reports that a large retail chain was entering negotiations to take over the independent Hyper-shuk Hagal Hayarkon company.

Such a move would further harm the lack of competition between the country's retail chains, Galmor warned.

But the ministry's hands are tied. The Knesset has not yet passed an amendment to the restrictive trade law that would outlaw such mergers.

## Soviets, Cannon to unite in producing new film

By ANDREA KING

For The Jerusalem Post  
An award-winning Soviet film director and a scriptwriter are in Israel negotiating about a movie to be made in conjunction with Cannon Films.

George Dancila, who has directed 60 feature films in Russia, and script writer Revaz Gabriadze, both from Moscow, have been in Israel for the past week. They will co-produce a comedy with Cannon Films and G.G. Israel Studios Jerusalem. G.G. President Yitzhak Kol told The Jerusalem Post, that if all goes well, he will travel to Moscow for further meetings once the script is approved by Menahem Golan.

The film, in English and Russian, is a comedy about a non-Jewish Georgian who hears about his fellow

Jewish countrymen going to Israel and decides to try it himself. Shooting is scheduled to begin in the Soviet Union in April, with filming then shifting to Israel. Both the director and scriptwriter, neither of whom is Jewish, are originally from Georgia. One third of the movie will be shot in the USSR, perhaps in Georgia, and two thirds in Israel.

Menahem Golan, head of financially troubled Cannon Films, was in the Soviet Union five months ago for a film festival and, according to Kol, came up with the idea of a co-production then. "Suddenly, they are here and it's very exciting," says Kol, who will serve as executive producer of the film. "We are working here for two more weeks and then, once a script is completed, I will go to the Soviet Union - it's glasnost."

## Welcome end to protectionism

# Sanbar forecasts trade boost between Israel and Hungary

By PINHAS LANDAU  
Post Finance Reporter

A deliberate policy of protectionism has kept Israel-Hungary trade at a paltry \$8 million in each direction for the last 20 years, according to Moshe Sanbar, past governor of the Bank of Israel and a leading figure in efforts to promote links between the two countries. The re-establishment this week of low-level diplomatic relations could pave the way to a significant expansion in bilateral trade, he said.

"We have \$30m. a year of exports to Romania, and these used to be as high as \$50m., so there is no reason why trade with Hungary should not be at least as high," the Hungarian-born Sanbar noted in an interview yesterday.

However, he said, a combination of politics and economics conspired to hold down the expansion of trade in both directions.

After the break in relations that followed the Six-Day War in 1967, Israel imposed strict conditions on businesses interested in importing from Hungary, along with other countries with whom it had no diplomatic relations.

Trade demanded that the importer guarantee imports in a amount equivalent to his projected imports, before it would agree to grant an import licence. In many cases, such as where the importer was interested in an exploratory consignment of goods to test their acceptance on the local market, the cost of finding and organizing a small export order to offset his imports made the whole operation uneconomic. As a result, much potential business fell by the wayside.



Moshe Sanbar

The barter approach was imposed by both governments, but the Israeli government went one step further than the Hungarians in imposing a second condition for the granting of export licences. This was that the proposed imports must not harm local manufacturers.

The crude protectionism underlying this attitude was scathingly attacked by Sanbar, who was a key figure in implementing a policy of opening up the Israeli economy to competing imports as long ago as the early 1960s.

"The protectionist policy is absolutely wrong, in principle and in practice. The criterion of no damage to local manufacturers is always short-sighted," he said. "While it is easy to prove that the imported good will affect the firms engaged in producing the same goods locally, the fact remains that these imports stimulate the economy as a whole and drive other firms to make an effort to export. The arrival of cheaper imports also pushes prices down, so that all consumers benefit."

Nevertheless, since Hungary and other communist-bloc countries (Continued on Page 4)

On Rosh Hashana eve, each one of us welcomes the new year, surrounded by his family, celebrating at a table laden with good holiday food, with joy, hope and song. Unfortunately, not all the House of Israel can partake so festively. Many of our needy elderly stay home, destitute and alone. Let us share our holiday spirit; this gift bag, chock-full of food items, will bring the holiday happiness right into their homes together with our warm and heartfelt greetings. All you have to do is bring this bag to the Super-Sol or Hypercol branch nearest you, and fill it with items from the recommended list. Prepared, filled bags are also available at these branches (13-18.9.87). The bags will be delivered by hundreds of volunteer youth to the homes of the elderly in the framework of the "Hag Same'ah to the Elderly" Campaign conducted on the initiative of the AMIT, Jerusalem volunteer association for mutual assistance. In cooperation with: Super-Sol, Ma'ariv, The Jerusalem Post "Forsake Me Not" Fund, and the local authorities. Under the aegis of: the Deputy Minister of Labour and Social Affairs, the Ministry's Volunteers and Service for the Elderly Department. Be generous to our less fortunate elderly. Let's make this a Happy New Year for all.

Remember: this is not a monetary contribution.



## The weather at major Swissair destinations

	15.9.87	MIN.	MAX.	
AMSTERDAM	14	10	18	Cloudy
BRUSSELS	14	10	18	Cloudy
BUDAPEST	11	5	17	Rain
CHICAGO	8	4	12	Cloudy
COPENHAGEN	12	8	16	Cloudy
FRANKFURT	14	10	18	Cloudy
GENEVA	15	11	19	Cloudy
HELSINKI	9	4	14	Cloudy
HONGKONG	28	24	32	Cloudy
JERUSALEM	23	19	27	Clear
LONDON	12	8	16	Cloudy
MADRID	20	16	24	Cloudy
MONTREAL	16	12	20	Cloudy
NEW YORK	20	16	24	Cloudy
OSLO	5	1	9	Cloudy
PARIS	15	11	19	Cloudy
RIO DE JANEIRO	27	23	31	Cloudy
SAO PAULO	25	21	29	Cloudy
STOCKHOLM	15	11	19	Cloudy
TOKYO	21	17	25	Cloudy
TORONTO	18	14	22	Cloudy
VIENNA	14	10	18	Cloudy
ZURICH	15	11	19	Cloudy

"For the latest weather conditions contact Swissair."

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### THE WEATHER

Forecast: Unseasonably warm

	Yesterday's	Yesterday's	Today's
	Humidity	Min-Max	Max
Jerusalem	9	19-36	35
Golan	7	24-36	35
Nahariya	61	22-33	33
Safed	10	22-34	34
Hafia Port	71	24-34	33
Tiberias	33	21-37	36
Nazareth	46	18-40	38
Afula	12	21-37	37
Sharon	73	21-31	31
Tel Aviv	46	19-34	34
B-G Airport	41	21-41	41
Jericho	77	24-29	30
Beersheba	43	20-34	35
Eilat	24	26-39	40

### SOCIAL & PERSONAL

Madame Michelle Barzac, French minister of health, was a guest Monday of Hebrew University President and Rector Prof. Amnon Pazy at a luncheon in her honour at the Mt. Scopus campus attended by senior university administrators and faculty members.

This year's Jerusalem Art Prize in memory of the late Jerusalem city councillor Abraham Arest was awarded yesterday to Gabriel Cohen and Tuvia Katz. Cohen is a well-known self-taught naïve painter who recently started in a show of Israeli naïves at the Jewish Museum in New York.

The Jerusalem Rotary Club luncheon will be held at the YMCA, King David St. at 1 p.m. today. Speaker: Israeli painter, Jossi Stern.

Professor Gideon Fishelson, 50, of the Economics Department at Tel Aviv University, has been named Dean of Students in place of Prof. Uri Aviram, who is on sabbatical.

## Arsonists damage JNF forest

**By ELAINE RUTH FLETCHER**  
Jerusalem Post Reporter  
Arsonists set fire to 25 dunams of Jewish National Fund forest on Mount Gilboa last Thursday damaging at least 100 pine trees in the latest of a string of arson incidents which took place this summer, police said yesterday.

JNF officials believe the latest arson incident, along with previous ones, was sparked by Palestinian nationalists operating from within Israel or the territories, said spokesman David Angel.

But Northern District police spokesman Danny Taviv said police had no evidence that last week's arson was politically motivated and had no suspects.

"We don't know if the fire was set by Arabs or Jews," said another police officer in the north. "It's not that difficult to set a fire."

Angel said that JNF workers last month caught Arab arsonists in action in Wadi Ara in the Triangle between Hadera and Afula.

Palestinian nationalists are believed to have targeted JNF forests for arson because of the JNF's reputation for developing nature sites on expropriated Arab land. Last Thursday's fire occurred next to the Arab village of Sandeh, which is near the West Bank town of Jenin.

Other recent arson incidents include a fire in the Tipori forest near Nazareth and one near the agricultural school in Moshav Nahalal in the Migdal Ha'emek region, both in June. Arsonists also set fire to 350 trees in a forest near Tamra in the Triangle in July.

## Ex-insurance execs held for fraud

TEL AVIV (Itim). - The former directors of the Phoenix Assurance Co., David and Yossie Hackmeijer, were arrested last night on suspicion of fraud in connection with now defunct FIT brokerage firm.

## HOME AND REGIONAL NEWS

# Miracle of the Burning Bush didn't happen to General Sneh

**By YEHUDA LITANI**  
Miracles, unfortunately, happened only during biblical times. Moses saw the bush (sneh) burning without being consumed. A similar miracle did not happen to Tar-Aluf (Brigadier General) Ephraim Sneh during his term of office as head of the Civil Administration in Judea and Samaria. He accepted Yitzhak Rabin's offer to serve in the post knowing that he might be slightly burnt trying to change things from within but hoping to survive. After his resignation, disclosed this week, it is apparent that Sneh was consumed by the system.

The general was either very naive or very courageous thinking that as a personal appointee of the minister of defence he could shake the system from within. He did not realize that this appointment was personal and unrelated to politics.

Sneh did not realize that Rabin is hardly interested in what occurs in the territories. That concern has been left to a functionary called "the coordinator of activities in the territories." Since the beginning of the 1980s, this title has been held by Shmuel Goren, who was appointed to the post by former minister of defence Moshe Arens.

Goren, who is now the ultimate policy-maker

in the occupied territories, was recruited to his present post from the intelligence community.

That background seems to have shaped Goren's outlook. Critics say he often appears to perceive every Arab either as a potential collaborator or a PLO activist, with virtually no room left for a middle position. They say that Goren represents the hard-line approach towards the inhabitants of the occupied territories. This approach could be summed up by the phrase "population-control system," which controls every aspect of life in the West Bank and the Gaza Strip.

### VIEWPOINT

The Israeli control system in the territories under Shmuel Goren could be described as the toughest since 1967. Despite the public relations campaign led by Shimon Peres employing terms such as "power-sharing," "condominium" and "encouraging moderate elements in the territories," the real relationship is still one of a horse and its rider.

The almost daily routine of arrests, harassment and deportations is not dictated solely by Goren and his subordinates. There are other security

bodies involved and they are pushing for a harsher policy. But Goren, his critics say, instead of blocking them, usually cooperates with them.

Ephraim Sneh did not impose his will on the system; the system imposed its will on him.

Did Sneh change the state of affairs in the West Bank during the two-and-a-quarter years he served there, or did he add another layer of legitimacy to the system?

Is the Civil Administration that he is leaving better than the one he found when he began his term of office?

Can a more enlightened and efficient administration solve the real problems of the Palestinians in the territories?

The real problems are existential and political; they will not be solved by military or administrative methods.

Within the framework of the carrot-and-stick policy, Sneh had thought that he could offer the carrot while others wielded the stick. What he did not take into account was that for the Palestinian (horse), both carrot and stick are being held by the same hand - that of the Israeli (rider). Call it Goren, call it Sneh, call it occupation. For them it's all the same.

## Ceausescu informed of Shamir's opposition

**Post Diplomatic Correspondent**  
Prime Minister Shamir yesterday sent a message to Romanian President Nicolae Ceausescu reiterating his opposition to an international Middle East peace conference.

Shamir handed the message to Ceausescu's special envoy, Constantine Mitea, during their second meeting in two days.

Mitea arrived from Bucharest with a message from Ceausescu and with the responses of Egyptian President Hosni Mubarak and Jordan's King Hussein to Shamir's "peace proposals." These proposals, focusing on the idea of a regional "mini-conference" comprising representatives of Israel, Jordan, Egypt and the Palestinians, were first broached by Shamir to Ceausescu, for onward transmission to the Arab states, during Shamir's visit to Bucharest last month.

It is understood that Mitea, who in recent weeks met Mubarak and Hussein, conveyed to Shamir these Arab leaders' rejection of the "mini-conference" idea. Both Mubarak and Hussein in recent weeks have publicly voiced their opposition to the idea and have reaffirmed their commitment to an international conference which would be attended by the five permanent members of the UN Security Council.

Foreign Minister Peres, at a meeting yesterday with visitors from Britain's Royal College of Defence Studies, said the international conference idea would be among the major topics of discussion in his meeting next week with his Soviet counterpart, Eduard Shevardnadze. Soviet Jewry and the absence of Israeli-Soviet diplomatic ties would also be discussed, he said.

Peres said yesterday that while there had been some small Soviet moves towards improving relations with Israel, the process was "slow" and "cautious." He implied that the green light for Hungary's decision to establish interest section-level ties with Israel, announced on Monday, had come from Moscow.

"Surely it's a Hungarian decision but it exceeds the Hungarian framework," he said.

## 'God-Willing' will be deleted from IDF invitations

**Post Defence Reporter**  
TEL AVIV. - The IDF is expected to stop officers from issuing formal invitations, including a Hebrew or Aramaic abbreviation for "God-Willing."

Orthodox Jews commonly write these abbreviations at the top right-hand side of letters. The commander of the Givati Infantry Brigade recently did so on an invitation, arousing protests among secular recipients.

A senior military source indicated that invitations will no longer carry such abbreviations. He said the IDF had a format for invitations to events "that does not include such an addition."

The army chaplaincy will continue to be able to use the abbreviations, as in the past, as may individual officers in their correspondence.

## PLO

(Continued from page one)

date, stated that while he viewed the move as a "positive step," he would continue to press for legislation to close both offices. He initiated a bill to this effect in the House of Representatives in April last year. The bill's sponsors, Sen. Charles Grassley (Rep.-Iowa), Sen. Robert Dole (Rep.-Kansas) and Sen. Frank Lautenberg (Dem.-New Jersey) met last night to decide whether they should continue pushing for legislation.

The PLO offices have been the subject of much in-fighting in the State Department this summer. The South Asian Affairs Bureau, headed by Richard Murphy, called for total opposition to the bill; but Shultz was said to favour closing the Washington office, while leaving the New York office alone, because of the PLO's observer status at the UN.

## New weapons, better training lift IDF's qualitative edge

**By JOSHUA BRILLIANT**  
Post Defence Reporter  
The IDF has increased its qualitative edge over the enemy by adding new weapons and improving training, an authoritative military source said yesterday.

The source created a different impression from that of Aluf (res.) Aharon Yariv, the head of the Tel Aviv University's Institute of Strategic Studies, who said last week that the Arab armies have been bridging the qualitative gap in part through acquisition of new, sophisticated weapons.

The source told *The Jerusalem Post* that within a week or two the IDF would finalize its list of new weapons to be purchased following

the government's decision to scrap the Lavi project. The Planning Branch at General Headquarters and the Ground Forces Command have been drawing up a list of priorities. They are to complete their work shortly, the source said.

**ASHER WALLFISH adds:**  
Defence Minister Rabin and IDF Chief of Staff Rav-Aluf Dan Shomron will brief the Knesset Foreign Affairs and Defence Committee next week about the adjustments being worked out in the ministry and the army, in the wake of the scrapping of the Lavi project.

Financial and manpower experts are understood to have started drawing up contingency plans some time ago. Their work acquired top

priority as soon as the cabinet decided to kill the project.

Some of the proposals which Rabin and Shomron are expected to mention in general terms in the committee next week will be familiar to MKs who belong to the special subcommittee headed by Likud MK Dan Meridor which drew up a detailed report on "the battlefield of the future" early this summer, after nearly a year's study.

At yesterday's meeting of the full committee, IDF Intelligence chief Aluf Amnon Shahak reported on the implications of the accord reached in Lebanon between the PLO and the Amal Shi'ite militia a few days ago.

## Company commander could face charges for harassing recruits

**Post Defence Reporter**  
TEL AVIV. - A company commander who received a mere reprimand for harassing new recruits until 10 required hospitalizations may face new charges. The case is now being investigated by the military police.

The incident occurred last month when university students whose draft had been deferred so they could complete their studies were called up for a summer basic training course. The soldiers, who suffered from physical disabilities, were sent to Training Base 4 at Beit El, where they were denied food, drink, rest, sleep and eventually even medical aid, a senior military source confirmed yesterday.

Ten soldiers required hospitalization for fatigue and dehydration, according to a well-placed medical source. One's condition had even become critical. The soldiers were

sent to Assaf Harofeh Hospital and have since been released.

Military sources confirmed yesterday that the soldiers had appealed to their company commander but he instructed them to "shut their big mouths." Eventually they went home on leave, and one of the parents, shocked by their physical condition, complained to Defence Minister Yitzhak Rabin.

The company commander was brought before a disciplinary tribunal before the training base commander and was reprimanded. However knowledgeable military sources indicated yesterday that new charges may be filed after the Military Police Investigation Branch presents its findings.

The Ground Forces Command also investigated the matter because of denial of sleep and food could affect safety in training. Military observers believe the

harassment was due in part to trainers' failure to impose their will on the student-soldiers who were about their age but better educated.

Several cases of harassment have been reported in the press in the past year, and the Knesset appointed MKs Raphael Eitan and Binjamin Ben-Eliezer to study the matter. Eitan, a former chief of general staff, and Ben-Eliezer, a tat-aluf in the reserves, have so far heard from the head of the IDF's Manpower Branch, Aluf Matan Vilnay; the commander of the Ground Forces Command, Aluf Uri Sagi; and Military Advocate General Tat Aluf Amnon Strachnow.

Military sources maintain that harassment is rare and note that a report on the Military Courts' activities between April 1, 1986 and March 31, 1987 showed that of the 3,600 soldiers tried in those courts, only 20 were charged with harassment.



The European version of the U.S. space shuttle, the French-sponsored Hermes, was one of the attractions yesterday at a Madrid technology fair. The three-person, 15-metre-long vehicle is the one the European Space Agency hopes to use when it launches its first manned flight in 1997. (Reuters)

## Secrecy over Pollard talks

**By DAVID MAKOVSKY**

**WASHINGTON.** - A veil of secrecy surrounded talks held yesterday between Israeli and U.S. officials relating to future U.S. investigations of the Pollard spy case. A second meeting has been agreed upon, sources say, but apparently no date has been

set. Sources say the Justice Department still wants to interview former IDF chief of staff, Moshe Levy and former Air Force commander Amos Lapidot about their knowledge of the role of Col. Aviem Sella, a handler of convicted spy Jonathan Pollard. Israel has to date resisted this.

## Jewish law allows vertical graves

**by ASHER WALLFISH**  
Jerusalem Post Reporter

Vertical graveyards are permissible according to Jewish law, the Chief Rabbinate has decided.

Knesset Interior Committee chairman Dov Shilansky announced yesterday that he had received an affirmative ruling on the issue from the director of the Chief Rabbinate, Rabbi Eytan Eisenman.

Shilansky said that according to the ruling, the graveyards in question would have to be constructed at several levels within hillsides, and not underground in catacombs.

Burials in vertical graveyards would require the consent of the deceased's family, the local rabbi, and the local Hovra Kadisha (burial society), the Chief Rabbinate ruled.

According to Shilansky, the Chief Rabbinate emphasized that it was issuing its ruling on vertical graveyards because of the shortage of available land for new cemeteries. It said its approval related solely to the one plan submitted to it by the architects Uri Ponger and Tuvia Sagiv.

The vertical graveyard proposal was referred to Shilansky's committee in the form of a motion by Dov Ben-Meir (Alignment) termed picturesquely: "The construction of burial sites in storeys in the tradition of our ancestors."

## ACCORD

(Continued from page one)

reduction centres agreement as the first new direct channel for negotiation between Washington and Moscow since the hot-line set up in 1963.

Reagan said the centres would play an important role in lessening chances of conflict and in exchanging information necessary in verification procedures for future arms control agreements. Both Shevardnadze and Reagan said they hoped the agreement would be a prelude to more important accords. Reagan added: "I look forward to the day when Mr. Gorbachev and I can sign even more historic agreements in the search for peace."

Shevardnadze arrived at the White House after his hours of talks at the State Department with Mr. Shultz, who in last night's briefing also referred to their exchange as good, thorough and constructive.

Morris Abram, chairman of the Conference of Presidents of Major American Jewish Organizations, was buoyed because human rights was the first topic discussed on the agenda of the American-Soviet talks. "We attach great significance to this. It is a clear indication that the administration is not going to negotiate on a limited arms control agenda."

Shultz said that there would be working groups meeting throughout the three days of talks in four parallel areas - arms control, bilateral questions, human rights and regional issues. Administration officials have said that in talks on regional issues, a Mideast peace conference will be discussed.

State Department officials have said that the U.S. plans to press the Soviets to "systemize" its emigration procedures. This would involve a ceiling on the number of years Soviet Jews can be refused on the grounds of having had access to state secrets; an expanded definition of the term "family reunification"; and an exit visa timeframe for each refugee that would remove the arbitrariness from emigration procedures.

Down the block from the State Department, some 150 people participated in a vigil sponsored by the National Conference of Soviet Jewry, which lasted a couple of hours.



FROM OMSK TO JERUSALEM. - Members of the "Omsk" dance troupe arrived here from the Soviet Union this week. The troupe, which consists of 50 dancers, singers and players is in Israel for a series of performances. The company visited Israel 22 years ago, however, none of the present members of the troupe were even old enough to have remembered that visit. Their first performance will be at Binyanei Ha'uma in Jerusalem tomorrow night. (Ronit Shani)

## Shas, NRP plan separate protests on Sabbath films

**By ANDY COURT**  
For The Jerusalem Post  
Shas and the National Religious Party have scheduled two separate protests tomorrow over the showing of Friday night movies in Jerusalem.

The Shas protest will take the form of a prayer assembly tomorrow at 11 p.m. at the Western Wall. Participants will recite *shofar*, the prayers of repentance which Sephardim traditionally recite each morning during the Hebrew month of Elul. Former chief rabbi Ovadia Yosef, head of the Shas Council of Torah Sages, will lead the services. Large numbers of participants will reportedly be bused in from Bnei Brak.

At 5 p.m. tomorrow, the National Religious Party will hold their own demonstration in the plaza of Hechal Shalom, the offices of the country's chief rabbis. Chief rabbis Mordechai Eliahu and Avraham Shapiro are expected to attend, according to NRP city council member Viva Sivan.

"We feel it's important that the public should see that there are lots of people who are not fanatics who oppose showing movies on Shabbat," Sivan said. "Until the status quo is restored, the protests will go on."

The leaders of the ultra-Orthodox community (Eda Haredit) discussed at length the police use of tear gas in religious neighborhoods, but it was not yet clear what course of protest, if any, they would choose for the coming weekend, an ultra-Orthodox source said last night.

Reports that Religious Affairs Minister Ze'evulun Hammer (NRP) had appointed a blue-ribbon panel

of secular and Orthodox people to reexamine the status quo on a national level was greeted by scepticism in some quarters.

"The general public, when it reads that Hammer has set up a committee to examine the status quo, expects that the religious people on the committee are going to give something up," Sivan said. "But I can't see any respectable religious leader saying that he's willing to allow more desecration of Shabbat."

The members of the Hammer committee reportedly include a chief rabbi of Netanya, an IDF education officer, the writer A.B. Yehoshua, MK Ovadia Eli (Likud), and several mayors, including Eli Landau of Herzliya.

The committee that Jerusalem Mayor Teddy Kollek appointed to investigate the cultural and entertainment needs of the city's secular youth met for the first time on Monday to discuss its work procedures.

Avraham Harman, chancellor of Hebrew University and chairman of the Israel Public Council For Soviet Jewry, will chair the committee. The other members include Michel Abitbol, professor of African History and Contemporary Judaism at Hebrew University; educator Eliezer Marcus; Yehudit Shilo, a Hebrew University biochemist active in social affairs and Project Renewal; Zehi Bakar, a municipal worker involved in organizing the Israel Festival in Jerusalem; and Eliezer Strauss, director of the Roots Association, which specializes in introducing secular youth to their religious heritage.

## 'Why not build Jerusalem stadium somewhere else?'

**By ANDY COURT**  
For The Jerusalem Post

The Interior Ministry's legal advisers have sent Jerusalem municipality officials a list of questions concerning the plan for a new soccer stadium at Manabat. The first question is essentially, "Why not build it somewhere else?"

Municipality spokesman Rafi Davara called the letter a "sinister joke." He charged that never has so much professional energy been invested in trying to hide a political motive, namely to "torpedo" the stadium project.

Ministry legal adviser Avraham Shafat, however, maintains that there are serious questions about the stadium plan which need to be examined. "We are going to take our time," he said.

In the letter to Jerusalem plan-

ners, the Interior Ministry asks why the stadium could not be built near the Mar Elias monastery on the Bethlehem Road, beyond the southern limits of the city. Davara responded that the city consulted the Interior Ministry about the Manabat location and received its approval before going through the lengthy planning process.

Local, district and national planning bodies, as well as a national appeals board, have approved the stadium plan, which now requires only Prime Minister Yitzhak Shamir's signature, in his capacity as acting interior minister, before it can be implemented.

On Monday, the city's Planning and Building subcommittee is expected to decide whether to begin earth moving work on the stadium site immediately.

## Dire consequences for careless drivers

Drivers involved in car accidents may now have their licences suspended on the spot for one month if they are suspected of a violation that caused the accident, the Police Ministry announced last night. The new measure affects drivers suspected of such infractions as illegal passing, failure to stop at a traffic light or a stop sign and failure to yield the right of way.

The measure is part of a series of new traffic regulations introduced by the Ministry of Transport and Infrastructure.

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Michael and Benny Fisher, her daughter and son-in-law  
Limor, Yael, Liat, her granddaughters  
and related families

Please abstain from condolence visits.



## Diplomats pessimistic as UN secretary general concludes Gulf mission

BAGHDAD (Reuters). — UN Secretary General Javier Perez de Cuellar ended a four-day Gulf war peace mission yesterday with Iran and Iraq apparently still wide apart on terms for a ceasefire.

The 67-year-old Peruvian diplomat refused to discuss the outcome of what he termed "a mission of peace and duty" to the two warring states as he was ushered under tight security onto a private jet for Paris and then New York.

Western diplomats said he had failed to dispel a sense of foreboding over his talks and voiced fears that it was only a matter of time before a fragile truce in the seven-year-old conflict was shattered. "I didn't exactly hold out wild expectations for the secretary general's visit," said one diplomat in Baghdad. "I would be very surprised if the Iranians

gave him anything of substance to take back to New York."

If Tehran gave no clear sign of being prepared to accept the UN's July 20 ceasefire resolution, the U.S. is likely to press at once for an arms embargo against Iran.

But diplomats fear U.S. attempts to push this through could split the Security Council, cause lengthy negotiations and weaken the unanimous voice with which the ceasefire order was issued.

And as Perez de Cuellar was wrapping up his talks in Baghdad, Iran's Prime Minister Mir Hossein Mousavi issued a tough statement, saying an embargo would not hurt its ability to pursue the war against Iraq.

A UN official accompanying Perez de Cuellar said that Iran had shown some movement although he added it may not have been enough.

It is still unclear whether both sides would agree to settle the question of blame for the war in a tribunal. This seemed the most likely avenue to explore if an arms embargo were to be avoided, diplomats said.

But they added the vehemence of the Iraqi government's rebuttal of Tehran's claims that it started the war showed the Iranian leadership had not backed down.

The UN secretary general refused to field questions from reporters as he left Baghdad, but did say he had discussed a detailed plan to implement the ceasefire resolution.

A fragile ceasefire in the war more or less held up for his visits although each side accused the other of shelling border towns. Iraq claimed 17 long-range shells hit its southern port city of Basra just as Perez de Cuellar landed in Baghdad.

## Indian troops fire at Tigers

COLOMBO (Reuters). — Indian troops in Sri Lanka yesterday fired at gunmen of the militant Tamil Tigers group which massacred up to 100 people last weekend. One man was wounded by the Indian soldiers, and he and two others were arrested, police said.

The shooting was the first tough action by the 8,000-strong Indian peacekeeping force since the Tigers rampaged through the eastern Batticaloa District on Sunday killing unarmed members of rival militant groups.

"I don't know if this is a new policy by the Indians to open fire at armed men, or whether it is just an isolated incident," said Batticaloa Police Chief Nimal de Silva.

"But they've assured me that the killings will end," he said after talks with the brigadier commanding Indian troops in the district.

Indian officers declined to comment, but de Silva said an Indian patrol shot at armed Tigers dragging away a member of the rival People's Liberation Organization of Tamil at Eravur village just north of Batticaloa City.

He said more than 500 Indian troops and Sri Lankan policemen were patrolling Batticaloa District and garrisoning villages.

The Indian troops, sent to Sri Lanka to enforce a July 29 peace pact that ended four years fighting between Tamil separatists and government troops, have been embarrassed by clashes between the Tamils which are delaying the peace process.

A total of nearly 150 Tamil militants have now died in two weeks of fighting between the Tigers, the most powerful Tamil force, and their rivals in the north and east.

The groups have old scores to settle for previous massacres carried out by the Tigers in the past two years to maintain their supremacy in the separatist movement.

Since the peace pact went into effect, the Tigers' demand for control of a new provisional administration of the north and east has further angered other groups and brought the peace process to a virtual halt.

The repeated clashes between the groups, and the failure of Indian troops to try to stop them, have caused mounting concern for the seven-week-old agreement signed by Indian Prime Minister Rajiv Gandhi and Sri Lankan President Junius Jayewardene.

An Indian spokesman in New Delhi expressed "distress and grief" at the latest killings and blamed them on the failure of the Tamils to surrender all their weapons under the Indian-backed pact.



Pope John Paul II receives an eagle's feather from an Arizona Indian following a purification ceremony that preceded the pontiff's address to 15,000 American Indians who had gathered in the Phoenix Coliseum. (APF)

## Indians bless pope with feather of an eagle

PHOENIX, Arizona (Reuters). — Pope John Paul came to the heart of Apache country on Monday and told thousands of American Indians that their past oppression by the white man must be acknowledged.

In one of the most colourful events of his U.S. tour, the pope was blessed with an eagle feather passed repeatedly through smoke at a meeting in this desert city of 10,000 Indians from all over North America.

The pope was greeted by Indians wearing dozens of different tribal costumes in an array of colours, some with full feather headdresses and buckskins.

To repeated applause at the gathering of Catholic Indians in an indoor auditorium, the pontiff said the encounter between native Americans and whites had been "a harsh and painful reality for your peoples."

"The cultural oppression, the injustices, the disruption of your life and of your traditional societies must be acknowledged," he said.

But the pope struck a controversial note by praising Father Junipero Serra, an 18th century Spanish priest, who is a candidate for beatification.

Critics say Serra herded Indians into slavery at his missions, flogged them if they tried to escape and introduced European diseases which decimated the population. The pope said Serra deserved special mention for defending the rights of Indians.

But afterwards Rupert Costa, a leader of the Californian Cahuilla tribe and president of the American Indian Historical Society, told reporters the pontiff "doesn't know anything about it."

The pope left for Los Angeles later to begin a two-day visit there.

## Taiwan newsmen in Beijing for first time in 38 years

TAIPEI, Taiwan (AP). — A local newspaper yesterday published the first story sent from China by a Taiwanese journalist in 38 years. The newspaper said demand was overwhelming for the special report.

The story by *Independence Evening Post* reporters Lee Yung-Der and Hsu Lu, whose trip defied a government ban on travel to China, was telephoned to a Tokyo correspondent, who relayed the report to Taipei.

The article, on *The Post's* front page, described the first hours of the reporters' trip to China. They said they hired a cab to journey through Beijing on Tuesday, just hours after arriving on a flight from Tokyo.

The Chinese Nationalist government fled to Taiwan from mainland

China in 1949 after losing a civil war to the Communists.

Although the government forbids Taiwanese residents from travelling to China, thousands of Taiwanese have secretly visited the mainland, which has encouraged such travel as first steps toward reunification. The Nationalists are expected to lift the travel ban for Taiwanese who visit relatives on the mainland.

Many of the approximately two million people who fled to Taiwan with the Nationalist government still have relatives in mainland China.

The *Post* said sales have shot up because of intense interest in the special report. The newspaper would not give figures. The average circulation of the newspaper is 120,000, officials said.

## Labour slips in Norway poll

OSLO (AP). — Norway's ruling Labour Party suffered a setback to its prestige and the far-right Progress Party, calling for lower taxes and less socialism, made strong gains in local and regional elections, according to election returns yesterday.

The local balloting, seen as a barometer of popularity, was a moral defeat for Labour Prime Minister Gro Harlem Brundtland, whose minority government took over in May 1986 after the collapse of a conservative three-party coalition.

At stake were 15,000 seats on 19 county councils and 448 municipal councils.

With votes from all but seven of 663 voting districts counted, the Progress Party more than doubled its previous showing, said the national news agency NTB.

NTB said the Progress Party won 12.1 per cent of the vote, up from 5.9 per cent in the 1983 local election and from 8.5 per cent in the 1985 general election, even though it did not run candidates in every contest.

Thousands of Progress Party ballot slips were reported missing in Oslo, and election officials said the irregularities could be cause for a new election in the capital. No problems were reported outside Oslo.

## 'Holocaust minor detail of history'

## Le Pen's remarks spark protest wave throughout France

By MICHEL ZLOTOWSKI and Associated Press

PARIS — The declarations of Jean-Marie Le Pen, leader of the extreme right-wing National Front, about the gas chambers and the murder of six million Jews being "minute details of the history of World War II" have triggered a tidal wave of protests in France.

Yesterday, all TV channels and national radio networks devoted most of their news time to the Le Pen scandal and the reactions it provoked.

In a radio appearance on Sunday evening, Jean-Marie Le Pen was asked his opinion about the self-proclaimed "revisionist" historians Faurisson and Rogues, who deny the existence of gas chambers. The National Front leader answered that while he was not familiar with these theses, he was in favour of "freedom of the mind. All we know about the history of wars has taught us that there have always been polemics about a certain amount of facts concerning them. I ask myself a certain amount of questions. I do not say that the gas chambers did not exist. I did not see them myself. But I think this is a minute detail of the history of World War II," said Jean-Marie Le Pen.

"Six million dead is a minute detail?" asked a reporter.

"Six million dead?" asked Le Pen.

"What do you mean?"

"Do you regard the death of six million Jews during World War II as a minute detail?" asked a second reporter.

"The question you asked was how those people were killed," said Le Pen.

"It is not a minute detail," said the first journalist.

"Yes, it is a minute detail of the war. Are you telling me that this is the revealed truth everyone has to believe? That it is a moral obligation? I say that there are historians debating those issues," said the extremist leader.

"Do you believe there was a Jewish genocide involving the use of gas chambers?"

"There have been many deaths, hundreds of thousands, maybe millions of Jews who died, and also people who were not Jews! I am astonished that every time I come to a radio or a TV station I have to answer questions put in an inquisitorial way. Always the same questions: Do you believe in this? Do you agree

with Mr. so-and-so when he says this and that? I am Jean-Marie Le Pen, I write and I speak."

"It is on the opinions I express that I have to be judged."

The furor over Le Pen's comments began to build Monday and dominated French newspapers and broadcast news yesterday.

Polls have shown Le Pen drawing 12 per cent or more of the vote in the first round. This would make his supporters crucial to the chances of a conservative candidate in the expected runoff against President Francois Mitterrand or another socialist.

While Le Pen's supporters include fringe extremists, fascists and declared racists, he has couched most of his statements carefully to appeal to a broader range of voters dissatisfied with the traditional parties of the right and left.

"For a long time he has presented himself as a classic figure from the right, simple and good-natured, but he is simply a fascist," former Premier Fabius said in a radio interview.

"Jean-Marie Le Pen's improvisations have always been carefully calculated to get across what he wants to say while steering clear of statements that might violate laws against provoking racial hatred," said Claude Mithuet, minister for human rights in Chirac's government.

Fabius said he was pleased by the unanimity of condemnation that Le Pen's remarks drew, but added that he expects a few ambiguities to be raised by some people who think an alliance with Le Pen is not so bad.

Chirac's centre-right coalition was in turmoil earlier this year, debating publicly over the best response to Le Pen's growing strength — whether to denounce his ideas, or move slightly to the right to lure his voters away.

In some regional governments the National Front has been included in governing coalitions to keep the socialists out of office.

Crif, the body representing the organized Jewish community in France, said that the declarations of Jean Marie Le Pen did not really surprise Jewish leaders.

Crif, through its leader Theo Klein, has repeatedly condemned the racist and xenophobic campaigns of the National Front. Today Jean Marie Le Pen had revealed himself by making the thesis of the self-proclaimed revisionist historians his own.

## Bulgaria ready to talk to Turkey about Moslems

VIENNA (AFP). — Bulgarian leader Todor Zhivkov is willing to discuss with Turkey the grievances of the mainly Turkish Moslem minority in Bulgaria, the *Sofia News* weekly magazine has reported.

The magazine said Zhivkov had outlined his position to a visiting group of U.S. congressmen led by

Representative Stanley Hoyer (Dem.- Maryland). It quoted Zhivkov as saying: "If the Turkish government sincerely wishes to discuss with us issues relating to Moslems in Bulgaria, we are willing to do so."

But Zhivkov said Bulgaria could not allow "interference in its internal affairs. On the pretext that Bulgarian Moslems are Turks."

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# Plea for a change in awareness

The following article by Mahmoud Darwish, a writer and poet (and member of the PLO's executive committee) was published in June this year in the Arabic magazine The Seventh Day, which is produced in Paris. The article was translated for The Jerusalem Post by Khaled Abu Toameh.

As I was reading the exciting reportage, *The Yellow Time*, by young Israeli writer David Grossman, I didn't expect him, at the end of his human study of the reality of occupation of the West Bank, to reach the moral question: Am I, really, worthy of being called human?

Occupation as a sinister act arousing human shock, and a trial for occupier's claim of having values that are superior to the values of the enemies, has not been confronted by any Israeli writer as it was confronted by this writer "free" from politics, free from parties, free from the conflict and from aligning himself with anyone or anything. It is as if he was coming from a different time to a land unknown to him.

Following this testimony, it is difficult for the Israeli to turn his eyes away from responsibility for a tragedy he created 20 years ago. The reality of occupation has thrust itself into the framework of the Hebrew Language. Can "Written in the Newspaper" be another source of a counter-truth? Can Israeli consciousness continue to retain what it didn't know after it becoming aware of this yellow time?

And since the Israelis do not cherish poetry, as they do not cherish the truth, tens of poems composed by their poets, which had clear impact, against the siege of Beirut and the massacres of the camps, may have the chance to emerge anew after they have been resuscitated by the prose of Grossman. The Israeli consciousness will realize that the conquest of an Arab city, Beirut, was not an extraordinary operation lying beyond the familiar Israeli behaviour which had earlier conquered the cities of the West Bank and Gaza Strip.

Are we exaggerating the power of words in changing consciousness? Perhaps....



Mahmoud Darwish, sometimes called the Palestinian national poet.

We would have been exaggerating, had these words been isolated incidents that do not indicate a phenomenon that has taken shape in Israeli society. For, what has been taboo in the consciousness dictionary, such as occupation, the West Bank instead of 'Judea and Samaria,' the Palestinian people, the PLO, self-determination and a Palestinian State, have become as ordinary as violation of the Sabbath. In the face of this, the Israeli authorities, which had been calling for "unconditional negotiations with the Arabs," had to pass a law banning Israeli individuals from talking to Palestinians!

The mere passing of such a law is an overt demonstration of the gradual alienation of the consciousness of the society from the establishment, which engulfs this consciousness with a media that lacks truthfulness, and therefore aids it. What also betrays the formation of this phenomenon, which I call "the phenomenon of collision between the Israeli awareness with the Palestinian reality," is the willingness of many individuals to challenge the legislative and the executive powers, and to go to the utmost in pursuit of conditions for peace and the recognition of the Palestinian people's right, to the extent of declaring the need of establishing a Palestinian state on Palestinian soil and talking to the sole and legitimate representative of the Palestinian people.

IT IS useful to note that approaching the awareness of the Palestinian reality is characterized by a flexibility that goes beyond the limits of the traditional peace forces. It includes individuals, from the core of the Zionist establishment, which is guided by Machiavellianism, seeking a means to transcend the historic predicament to recognizing the defeat of the historic concealment of

the Palestinian people. They are: sacrificing the sacred ideology on the altar of the facts given by reality and which contradict the ideology in favour of reality.

It is still a long way before this individual awareness will develop into community awareness exerting pressure on the establishment.

We still must be cautious against the temptation of day-dreaming; that is, holding on to the illusion of peace based on imaginary criteria, that do not encourage Israel to relinquish what it keeps for peace that is less peaceful than No-Peace. They also do not encourage the Palestinian to "give up" the sources of power latent in the Palestinian reality's invasion of some layers of Israeli awareness, namely, the power to resist occupation inside the homeland, and the power to resist the siege outside the homeland. It is only natural to say that in the absence of this power, Israeli awareness will remain happy with a situation that raises moral questions likely to lead to procrastination.

If it is our duty to contribute positively to the development of this new Israeli awareness of the Palestinian reality, by giving prominence to the human content of the Palestinian message and by making the plan for freedom include the essence of peace — such a message and plan are contrary to the Israeli message and plan toward both the Israeli society and us. If it is our duty to do that, then one of the conditions for our success in this process — is to make occupation more costly so that the awareness of abandoning occupation may become a matter of self-interest.

The road is still very long to effect a separation between the awareness of the society and that of the estab-

## We Travel Like Other People

We travel like other people, but we return to nowhere. As if travelling is the way of the clouds. We have buried our loved ones in the darkness of the clouds, between the roots of the trees.

And we said to our wives: go on giving birth to people like us for hundred of years so we can complete this journey.

To the hour of a country, to a metre of the impossible.

We travel in the carriages of the psalms, sleep in the tent of the prophets and come out of the speech of the gypsies.

We measure space with a hoopoe's beak or sing to while away the distance and cleanse the light of the moon.

Your path is long so dream of seven women to bear this long path

On your shoulders. Shake for them palm trees so as to know their names and who'll be the mother of the boy of Gulliver.

We have a country of words. Speak speak so I can put my road on the stone of a stone.

We have a country of words. Speak Speak so we may know the end of this travel.

MAHMOUD DARWISH

lishment. We still have to notice the drastic difference between the forms of society's reactions to facing the Palestinian reality. Some forms of this reaction call for a dialogue with the PLO. Others come from deep in the classical Zionist solution to handling the issue, which is changing into an Israeli internal question.

Therefore, the call by some Israeli intellectuals for a dialogue with the Palestinians and the need to recognize their national rights is countered by a call by some of this elite to consider the Palestinians as a "people of murderers." When Grossman's reportage *The Yellow Time* was published, the writer Amos Oz described the PLO as "the ugliest and most savage national movement in the twentieth century."

Yet, the number of Israeli intellectuals calling for a dialogue with the Palestinians on the basis of recognizing their right to a state is increasing. There is also tangible activity which

reveals that Israeli society is facing a conflict over awareness of the Palestinian question.

Are we exaggerating if we believe that we find ourselves, for the first time, capable of direct intervention in the affairs of the House of Israel, which is openly divided.

In other words: are we capable of addressing the interest of the ordinary Israeli, through raising the costs of occupation on one hand, and projecting the human essence of the Palestinian plan for freedom on the other?

There is now in Israel society a moment of listening that requires a delicate tone from us. This moment may slip away, from those who are worried about their fate, which overlaps with the question about our fate. It may also slip from us if we leave it prey to closed mindedness on a different way. The wind that blows on the front of the enemy concerns us.

## The violence of occupation

The following is an excerpt from a chapter in the just published 1987 report of The West Bank Data Base Project, headed by Dr. Meron Benvenisti. The main points of the chapter, "Confrontations and Attitudes," were published earlier this week in The Jerusalem Post.

THE QUANTIFIABLE facts present an accurate picture of the intensity of inter-communal strife in the occupied territories. Between April 1986 and May 1987, 3,150 incidents of violent demonstrations occurred, of which 1,870 incidents were of rock-throwing, 600 of stone road blocks and burning tyres, and 665 incidents of Palestinian flag hoisting, leaflet distribution and slogan painting. During the same period, 65 incidents occurred involving firearms, explosives, stabbings, and 150 involving petrol bombs. Twenty-two Palestinians were killed and 67 injured in violent incidents (seven killed by the army during demonstrations). Two Israelis were killed and 62 injured. Almost three thousand Palestinian demonstrators and 1,550 accused of terrorism were detained (April 1986-May 1987). In April 1987 alone, 109 Palestinians were detained without trial.

Al-Haq, a Palestinian legal research institute in Ramallah supplied the following figures for Administrative orders during 1984-87:

	1984	1985	1986	1987 (May)
Deportation orders (incl. Gaza)	1	31	5	4
Administrative detention orders	0	131	37	62
Town arrest orders	46	31	62	40
Houses demolished or sealed	47	55	48	22

The intensity of violence in 1986-87 was less severe than in 1985-86 (4,000 disturbances, 139 terrorist attacks) but, the cycle which started in 1981-82 (4,400 incidents) remained for five consecutive years (1982-87) above the 3,000 mark. By comparison, the average annual occurrence of "disturbances" between 1977-82, was only 500.

The relationship between planned violent acts involving firearms, perpetrated by organized terrorist cells, and disturbances involving spontaneous rockthrowing and violent demonstrations indicates a new trend in Palestinian resistance. The ratio of terrorist/spontaneous acts was 1:11 between 1977-84, 1:16 in 1985, 1:18 in 1986. This ratio indicates a new phase in Palestinian resistance and inter-communal strife. Violence is largely carried out in broad daylight by individuals and groups who spontaneously express their feelings, undeterred by the consequence of their actions. Local initiative, rather than externally controlled violence, as an expression of resistance, is evident also from the type of weapons used.

In 1985, there were 34 incidents of shooting by Palestinians and 12 hand-grenade attacks. In 1986 there were 18 shootings and 7 grenades, and in 1987 there were 12 and 6 respectively. By contrast, there were no cases of stabbing (which does not require smuggling of arms) in 1985,

but 14 cases in 1986 and 13 in 1987. Security sources attribute the shift in type of violence to external reasons, notably the closure of PLO offices in Amman (1986), and the tightening of security measures on the borders (Lebanon, Jordan). However, there is no doubt about the grass-root origin of most violent actions.

THE NUMBER and severity of retaliatory attacks by Jewish vigilantes has also risen. These involve gunfire, smashing the windshields of parked Arab vehicles, arson and beating up passers-by. The most severe incidents occurred in the spring of 1987, in Kalkilya (following the death of a woman caused by a petrol bomb), and in the Dehaishe refugee camp.

Settler vigilante activity became more audacious due to the fact that perpetrators were not punished. In many cases, settlers refused to obey orders of Israeli officers to refrain from passing road blocks or to desist from "committing acts of hostility." Soldiers and officers were bodily harmed.

Ironically, all settlers belong to the security forces, being an integral part of the Israeli army (Territorial Defence Units). It is estimated that less than 10,000 firearms of all types, as well as other military equipment such as wireless sets and vehicles. The extreme ideological outlook

shared by the settlers and their relative independence in defining their military role must lead to excesses. Moreover, military and police authorities are reluctant to prosecute vigilantes even when illegal operations, aimed against official government decisions, are perpetrated.

The political clout of the settlers, and the authorities' willingness to appease them was manifested in May 1987. Following a murderous attack on an Israeli civilian car, in which a woman and a child were burned to death, the settlers demanded that the government an "appropriate reprisal." They handed over a list of measures, which included mass arrest of prominent Palestinian leaders, closure of universities and curfews.

That list was published in January 1987 by a body calling itself "Citizens for Yesha (Judea, Samaria and Gaza)," and rejected by the security authorities. In May, however, the Defence Ministry submitted to the pressure and carried out the entire settlers' list, including the arrest of 109 Palestinians. Military sources admitted later, that those harsh measures were uncalled for, because the incident was perpetrated by local groups with no contact with central PLO activists.

Another very important indicator for measuring the level of confrontation is the record number of Palestinian demonstrators killed by the

security forces. Official figures put the number of Palestinians killed during 1987 at 22, compared with eight in 1986. The authorities admit only seven killings from army shooting, but fail to count at least seven additional Palestinians shot dead "in uncertain circumstances." These presumably involve illegal shooting by settlers or stray bullets shot during disturbances.

The tragic increase in the number of Palestinian casualties can be explained by the violent nature of the demonstrations, especially on university campuses where students were ready to risk their lives in confrontations with the soldiers, but also by the notorious "procedure of detention of suspects." This procedure, altered the earlier "orders regarding opening fire," which specified that "it is forbidden (to open fire) for the purpose of imposing public order or quelling riots."

The new order permits opening fire "as part of procedure of detention of suspects during a disturbance." "Disturbance" is defined as riots, demonstrations, gatherings, roadblocks. Opening fire is then permitted if "disturbance is followed by physical attack or rock-throwing or other 'cold' objects (i.e. iron bars)." In such cases the soldier should "warn the suspect in a loud voice of his intention to open fire (in Arabic)." If the suspect was not apprehended, or tried to escape, it is permitted to open fire, first in "the air at an 80-degree angle upwards, then, with intent to injure, but only at the legs."

The definition of "demonstration" as a crime that permits soldiers to detain suspects; the permission to open fire against rock-throwers; the unclear definition of "warning in a loud voice," especially during a noisy encounter of hundreds of soldiers and demonstrators; the permission to use live ammunition by inexperienced conscripts; the fact that Palestinian youth have increasingly chosen to defy the soldiers — were all factors that brought about the dramatic increase in casualty figures. Along with it, they brought about the heightening of animosity and calls for revenge.

THE VIOLENCE of the 1986-87 period occurred in three major waves. The first, in December 1986, came after a period of relative calm. It began with a confrontation between soldiers and students at Bir-Zeit University that resulted in the death of two students. Demonstrations, stone throwing, and petrol bombs followed for the next week, spilling over to Gaza as well. When the violence finally ceased, two other Palestinian boys were dead, one possibly killed by the bullet of a settler. Scores were injured, including a 61-year-old Israeli stabbed in the Old City, and over a hundred Palestinians were arrested.

Official government claims suggested the demonstrations were organized by the PLO rather than being a spontaneous response to the deaths at Bir-Zeit. The prime minister at that time, Shimon Peres, maintained, however, that despite the disturbances, West Bank residents

had experienced a major shift in loyalties, turning from PLO support to a pro-Jordanian position.

In February 1987, the second period of unrest erupted (primarily in Gaza), in response to the deportation of a Khan Yunis student accused of leading the Fatah Youth Movement (Shabiba) in the area. It was fuelled by the death of a Gazan teenager shot by the border police after resisting arrest for a stone throwing incident. It later spread to the Balata refugee camp near Nablus, where residents held a general strike to protest a recent security crackdown. Four people were injured in a clash with soldiers, and when the news spread to the nearby A-Najah University, an impromptu demonstration was staged. Further demonstrations broke out throughout the territories which were seen by senior IDF officers as a deliberately organized response to the plight of besieged Palestinian refugee camps in Lebanon. Calm was restored only after all five West Bank universities were closed.

Began as a show of support for a hunger strike waged by Palestinian security prisoners, the third outbreak of violence followed closely on the heels of the previous one. Sit-ins staged at Red Cross offices in major West Bank towns, occasionally turned into demonstrations which prompted border police and IDF involvement. After almost a week of such uprisings, an Israeli woman and child were burned to death by a petrol bomb. Settler riots in the town of Kalkilya followed, with cars and fields burned and windows smashed, including those of the mayor's home. Increased military presence, administrative detentions, curfews, roadblocks, and deportations restored, for the time being, a semblance of order.

THE INCREASED number of spontaneous, individual acts by both settlers and Palestinians, indicated higher frustration levels of the civilian populations. Therefore, the task of the defence forces to keep order became more difficult. This form of violence and the accompanying military actions revealed contradictions in statements of Israeli politicians. On the one hand, Shimon Peres claimed that the local population has shifted its loyalties from the PLO to Jordan, thus increasing support for the policy of power sharing with Jordan. On the other hand, outbreaks of violence were credited by the Ministry of Defence to PLO directives.

The Israeli authorities might be better served by accepting the violence as individual and spontaneous acts emanating from a growing sense of despair and frustration. This requires the recognition that the problem is no longer limited to breaking up organized terrorist cells, but has evolved into population control. In other words, the conflict can no longer be maintained militarily as its political implications demand increased attention. Though the overwhelming majority support the nationalist stances of the PLO, the Palestinian population is now acting of its own accord.



Shown here is the last editorial cartoon published by the late Naji el-Ali, a Palestinian whose caricatures led to his assassination. This drawing, published by el-Ali in the Kuwaiti newspaper *al-Qabas* on July 28 seems prophetic. The newspaper headline says: "Anniversary of the Battle of Hittin." The figure holding the newspaper thinks: "Were Saladin still alive..." and the little figure with his back to the reader adds: "...they would assassinate him."



## Do Palestinians have the will?

The following exchanges are excerpted from a recent interview by Scott MacLeod with Yasser Arafat in The New York Review of Books.

Q: What about relations with the State of Israel? You have talked of the need for peace and a comprehensive, permanent settlement, yet in one of your replies you proposed putting UN troops on the borders between the Palestinians and Israelis. What kind of peace would it be, with troops on the borders?

A: It depends on the will and the determination of both of us. Are they looking to achieve a victorious peace for them, and for us a surrendering peace? Or a lasting and comprehensive and just solution, as De Gaulle once said, "A peace of the brave?" If they are ready, why not? This is our main point when we call for a just and permanent and comprehensive solution.

Q: You said, "If both of us have the will and determination..." Do Palestinians have the will?

A: Yes. We are fed up with being the target for continuous genocide. It is very difficult. Look at what is going on in southern Lebanon, in Beirut,

what happened some years ago in Amman, what is going on inside the occupied territories now. We are human beings and we have the right to live in peace like other people are living.

Q: Some of your own supporters would ask you the question: Is a Palestinian state compatible with Zionism? The PLO, since its beginning, has been opposed to Zionism. So it sounds strange to hear you talk about an accommodation.

A: Do you think this state can live forever as a strange body in this area? If such a state doesn't become oriented in the region here, it cannot live. If they are insisting to live as Zionists, imperialists, and expansionists, they will face resistance everywhere. And they will be isolated. No doubt about it. But if they are ready to achieve a just, comprehensive, and lasting solution, we can find a way.

Who said that I am against Judaism or Jews? In all our history, Jews were part of us... They were as Jews a part of my nation. This is Palestine. Do you know the meaning of Palestine? This is the land, the holy land.

Those who are coming from Poland, like Begin or others, don't understand the meaning of the holiness of this land. They do not belong to my heritage, to my culture.

Q: I am asking: If it is not expansionist, what accommodation can you make with an independent Jewish state?

A: I repeat what has been accepted in all our PNC sessions: We are ready to deal with all UN resolutions including Resolution 181, The Partition Plan, 1947. Are they against it?

Q: You are saying that they want peace. On what platform? I am saying that peace cannot be achieved apart from international legality.

Q: Do you have a solution for the holy city, Jerusalem?

A: We can find it. Look, Berlin is an example.

Q: Not a very happy example. A: But it happened. It has lasted for more than 43 years. Half a century.

The Palestinian Arabs page is edited by Middle East Affairs editor Yehuda Litani.

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## U.S. OPEN Lendl makes it three in a row

NEW YORK (AP) - For years Ivan Lendl couldn't win the U.S. Open. Now he can't seem to lose it. Lendl's bid for a third straight Open title appeared in jeopardy on Monday after he lost the first set to Mats Wilander.

It was the first set Lendl had lost in the tournament. Worse yet, he was suffering from the influenza and facing a player who specializes in long, tiring baseline rallies.

But Lendl rallied to beat the 23-year-old Swede 6-7 (7-9), 6-0, 7-6 (7-4), 6-4 in a 4-hour, 47-minute match at the National Tennis Centre at Flushing Meadows here.

Lendl, 27, lost three straight Open finals from 1982-84 before starting his winning streak in 1985 with a victory over archrival John McEnroe.

Lendl won despite feeling "lousy" and said afterwards, "I just didn't expect to last that long with Mats today, and I can't believe I won this match. I was out of juice for three and a half sets. It had to be the strength of mind and a little bit of luck."

"Winning three times is something I never dreamed of," said the 27-year-old Czechoslovak, whose victory tied him with McEnroe for most consecutive titles at Flushing Meadows.

The top-seeded Lendl said if it had been any other tournament he would not have played in the semifinals on Saturday or in the final.

In the first set, he said, "I felt heavy, slow and dizzy. I had to let the overhands bounce."

because I couldn't hit them. I would feel terrible, almost like falling over. Then the next three points I'd feel great." The third-seeded Wilander, working on Lendl's weaker backhand, broke the Czechoslovak in the fifth game of the first set but Lendl broke the 23-year-old Swede in the eighth game. They then each held service to force a tiebreak.

In the first of the match's two tiebreaks, Wilander simply outlasted Lendl to win 9-7. It was Lendl's first loss of a set in the tournament.

But in the second set, Lendl suddenly took command and destroyed Wilander 6-0, blasting forehand shots and serves past the helpless Swede.

In the first game of the third set, Lendl continued his dominance, breaking Wilander, who had advanced to the final by defeating fellow-Swede and second-seeded Stefan Edberg.

But Wilander got his engine going again and broke right back. They broke each other once again to put the set back on serve and force the second tiebreak.

Wilander, who now stands 6-12 in career matches against Lendl, bottled back from 4-4 to 4-5 in the tiebreak but that was as far as he got as Lendl won 7-4 with an ace.

"I felt I was ahead, especially in the third set," Wilander said. "I had a lot of break points, and I still couldn't win it, but I felt I should have."

The fourth set was perhaps the best of the four, as the two groundstroking machines came in the net more often to get away winners.

"I was getting cramps here and there for the last set and a half," Lendl said. Lendl, who has won 71 of his last 75 matches on hard courts, survived a break point in the first game of the set to hold serve.

"The difference is he served really good when he had to," Wilander said.

"It's just unbelievable," Lendl said. "If someone had told me three years ago after I had lost my third Open in a row, that I'd win three in a row, I just wouldn't have believed it. I'd say the person is crazy. This one will be special because I really didn't expect to win," he added.

## Welsh welcome Italian invaders

MERTHYR TYDFIL, Wales (AP) - Merthyr town became a "Little Italy" yesterday as the local team of part-time soccer players prepared to meet Atalanta of Bergamo in the European Cup-Winners Cup.

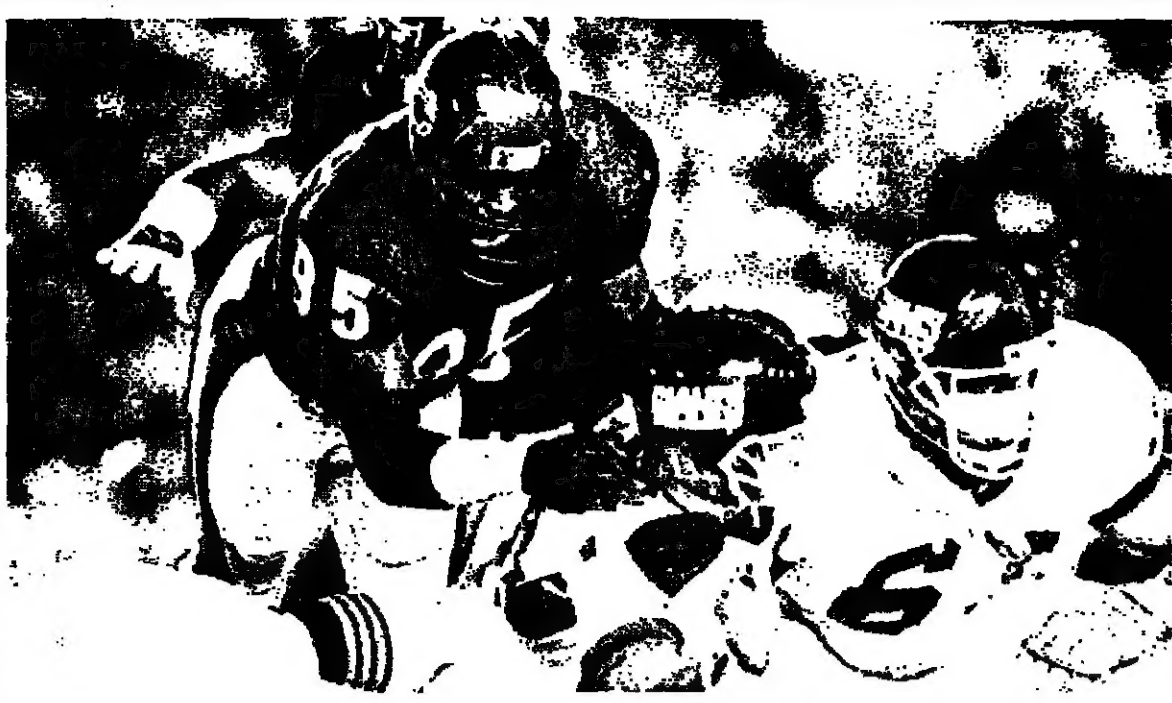
With some 8,000 Welsh-based Italians living locally and another 6,000 expected to arrive from other parts of Britain, the industrial town of Merthyr had a distinctly Italian appearance as Wednesday's first round match between the Welsh Cup winner and the Italian runner-up approached.

Welcome signs in the Italian national colors flew from lamp-posts along the roads into Merthyr and Italian music was playing in the shopping precincts. The local municipal council organized a spaghetti-eating contest in the town centre.

Direction signs were in three languages - English, Welsh and Italian - although members of the large Italian population in and around Merthyr were able and anxious to help their countrymen to feel at home.

While Atalanta's highly-paid stars were playing First Division soccer in Italy last season, Merthyr won the Welsh Cup from the comparative obscurity of the southern league, which is two stages below the 91-strong English Football League.

Merthyr's chances of creating an upset were dented by an injury to Bob Latchford, their veteran former England striker. But the team hoped that David Webley, top scorer last season with 61 league and cup goals, would be fit.



FILE UP - Richard Dent (95) of the Chicago Bears brings down New York Giants' quarterback Phil Simms in Chicago on Monday night. The Bears thrashed the Giants 34-19. (Reuters)

## Tiger Alexander shows his claws

NEW YORK (AP) - Since coming to Detroit in an Aug. 12 trade, pitcher Doyle Alexander has been a real tiger.

"As long as you're hitting the corners like Alexander is, he's going to be successful," said Boston outfielder Jim Rice, who went hitless in three at-bats against Alexander in a 3-0 loss to the Tigers on Monday night. "He doesn't have to challenge you. He keeps the ball in play and those guys get him some runs. That's the way to play it."

Alexander scattered eight hits and twice worked out of bases-loaded situations in seven innings to improve his record to 6-0 since the Tigers acquired him from the Atlanta Braves.

Alexander struck out four and walked four before getting relief help for the last two innings from Mike Homeman.

Boston's Roger Clemens, 16-9, who got out of one bases-loaded jam, but not the second, allowed seven hits.

The New York Mets overcame three Chicago homers as Gary Carter, Darryl Strawberry and Keith Hernandez drove in two runs apiece. The Mets clinched within 1.5 games of the Cardinals in the NL East.

Rick Aguilera, 9-2, pitched six innings for his sixth straight victory. Andre Dawson hit his 44th homer, a three-run shot, and Leon Duran followed with his 27th for a 4-1 Cubs lead in the third inning. Jody Davis hit his 19th homer in the sixth, putting Chicago within 6-5.

Carter's two-run single off reliever Drew Hall, 6-1, capped a four-run fifth that put the Mets ahead 6-4. Strawberry knocked in a run with a double in the third and a single in the fifth, and Hernandez hit a sacrifice fly in the third and an RBI groundout in the fifth.

### AMERICAN LEAGUE EAST NATIONAL LEAGUE EAST

	W	L	Pct.	GB		W	L	Pct.	GB
Detroit	86	57	.601	-	St. Louis	83	59	.585	-
Toronto	86	57	.601	-	New York	82	60	.573	1 1/2
Minnesota	80	64	.556	6 1/2	Montreal	81	61	.569	-
New York	76	64	.542	7	Philadelphia	72	71	.503	11 1/2
Boston	69	73	.486	14 1/2	Chicago	70	72	.493	13
Baltimore	62	81	.434	24	Pittsburgh	66	75	.476	19 1/2
Cleveland	55	88	.379	32					

### WEST DIVISION WEST DIVISION

	W	L	Pct.	GB		W	L	Pct.	GB
Minnesota	77	69	.521	-	San Francisco	76	66	.532	-
Kansas City	77	71	.517	1 1/2	Houston	71	72	.497	6 1/2
Oakland	72	72	.500	4 1/2	Cincinnati	71	73	.493	7
Seattle	68	75	.479	9 1/2	Atlanta	62	80	.437	15
California	68	76	.472	10 1/2	Los Angeles	60	83	.420	17 1/2
Seattle	60	76	.440	18	San Diego	59	84	.413	18 1/2
Chicago	62	81	.434	24					

Monday's games: Milwaukee 6, New York 6; Chicago 5, Philadelphia 3; St. Louis 2, (11 innings); Montreal 6, Pittsburgh 4 (14 innings); Atlanta 2, Cincinnati 2; Houston 8, Los Angeles 1; San Francisco 4, San Diego 3.

### RUGBY

## That was a lovely tour

Post Sports Staff

TEL AVIV. - A rugby match between an Israeli selected side and an Egyptian club, scheduled to take place this Friday in Cairo, has been cancelled by the hosts because they objected to the game being publicized.

The last-minute cancellation followed last Thursday's report in *The Jerusalem Post* - the event's sponsor - detailing the game between an Israeli Rugby Football Union XV and the Cairo Rugby Club, which would have been the first head-on competition between Israeli and Egyptian sports teams to take place in either of the countries.

While composed mainly of members of Cairo's diplomatic community and foreign businessmen, the club also includes several native Egyptians who have taken up rugby.

In a telex addressed to IRFU president Cyril Morris, the Cairo Rugby Executive Committee stated: "We regret to inform you that, in view of the unexpected pre-match publicity and press involvement, which severely threatens our playing future in the Middle East... we find no alternative than to cancel the fixture."

"We were very keen to play rugby, but the added dimension of publicity unfortunately precludes this possibility," the telex continued.

In the past the Cairo club has played visiting sides from the Persian Gulf and Saudi Arabia and has travelled to Dubai for its annual seven-a-side tournament. After the *Post*'s story appeared, club members expressed their concern that publicity about a meeting with Israel would jeopardize their contacts with Arab countries.

The telex was sent last Friday.

and over the weekend the managers of the Israeli team phoned the Cairo club directly in an effort to save the match. *The Jerusalem Post* has learned that the cancellation decision was made by a 7-3 vote, and one Cairo club member, who wanted to go ahead with the game despite the press report, said that another vote would be possible.

But it would have taken a few days to arrange another meeting of the executive committee, too late for the Israeli team to cancel extensive travel and security arrangements, had the vote gone against the game for a second time.

Arrangements for the event started as long ago as last February, after a player in the Cairo club read about Israeli rugby in *The Jerusalem Post* and invited an Israeli team to Cairo. The game was originally supposed to take place in the early summer, but, due to administrative problems within the Israeli team, it was postponed until September 18.

Though most of the planning was detailed, the one element that was not made explicit beforehand was the Cairo club's desire to avoid publicity. Contrary to one press account, there was no "agreement" on the Israeli side banning advance publication of the event.

Ironically, the same morning on which the *Post* ran its story, a member of the Cairo club phoned the liaison here to request that Israelis keep the tour "low key." He was then informed that an article had already appeared.

Though members of the Israeli team said that, from hindsight, they thought that the article should not have been run, they were puzzled by what appeared to be the Cairo club's assumption that there would not be press coverage of the game.

## Bowling for fun(ds)

By JACK LEON

TEL AVIV. - The Israel Men's and Women's Bowling Associations are holding their sixth Max Spitz Charities Day on Saturday, September 19, with the entire proceeds going to *The Jerusalem Post's* Toy Fund and Forsake Me Not Fund, as well as the Libi Fund for soldiers.

As usual, the festive tournament will take the form of mixed flying rinks, with matches being held from 9:30 a.m. at all the country's six bowling clubs: Haifa, Kfar Hamaccabiah, Netanya (Wingate Institute), Ra'anana, Ramat Gan and Savoyon. The donation for a full day's play, including green fees and refreshments, is NIS 16.

All bowlers - including tourists - who wish to participate in the event but do not manage to register in advance, can nevertheless be assured of a game if they sign up at one of the above-mentioned clubs not later than 9 a.m.

Several hundred men and women are expected to take part in the tournament, with the anticipated proceeds of NIS 5,000 being divided equally between the three designated charities, the Association's spokesman Seymour Fisher told me last night.

The annual Charities Day was inaugurated in 1982 by Max Spitz, the father of Israeli bowlers, who died at the end of August. Starting next year, the meet is likely to be known as the Max Spitz Memorial Charities Day.

## Martina's complaints

NEW YORK (AP) - After winning three championships at the U.S. Open, Martina Navratilova did a surprising thing. She complained.

Navratilova, who won the women's singles on Saturday, then teamed with Pam Shriver for the women's doubles and Emilio Sanchez for the mixed doubles titles Monday, was upset about the scheduling at the tournament.

"The schedule leaves a lot to be desired," Navratilova said after becoming the first triple winner at a Grand Slam event since Billie Jean King did it in 1973.

Navratilova was annoyed that she and Sanchez had to play on the grandstand court against Betsy Nagelsen and Paul Annacone. She was thrilled to make some history but not happy with the setting.

"They could have put us on in the stadium after the men's singles," she said. "But they never even give you that option. They do not have enough foresight to plan ahead. We're playing second fiddle to the men's singles. Everyone plays second fiddle to the men's singles."

"The attention we get is non-existent. CBS (television network) never even mentioned our doubles."

Last Friday, after she and Steffi Graf of West Germany won semifinals matches, Navratilova expressed dissatisfaction when she learned of Saturday's schedule. The women's final was scheduled after both men's semifinals rather than between, as had been customary. Part of the reasoning for that was a forecast of rain. Tournament officials said they wanted to at least get in the men's matches and, if necessary, would play both finals on Sunday. They did so last year, when rain delayed the women's semifinals.

But Navratilova felt television was to blame for, too. She noted that the semi-final match between Mats Wilander and Stefan Edberg was scheduled for 10 a.m.

"That's ridiculous. Everything for TV," she said. "I wish they would change it and play the women's semifinals on Thursday, the men's Friday, the women's final Saturday and the men on Sunday."

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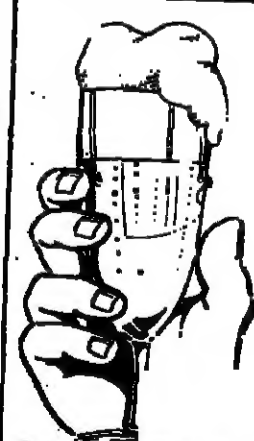
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היפרכול  
לקנות ולהנות מכל היתרונות



# Arms scandal rocks the Fiat empire

By WILLIAM SCOBIE

There is fear and trembling this week in Italy's "Valley of Gums," a lush, green 40-kilometre stretch of the Lake District running from Gardone to Brescia, heart of the country's \$5 billion a year arms industry.

Here in Val Trompia, 90 per cent of Italian weaponry for export is made, in factories small and large - from the famous Beretta works (founded 1526) to sophisticated groups such as Valsella Meccanotecnica SPA of Brescia, which specializes in naval mines - large numbers of which are thought to be bobbing in the waters of the Persian Gulf, awaiting the arrival of their next target, the Italian Navy.

Italy's parliament voted last week to send a task force of minesweepers and frigates to protect ships.

With the arrest last week of illegal arms dealing charges of Valsella's chairman, Ferdinando Borletti, his son, Giovanni, and 30 other suspects - including two Mafia bosses - Brescia's arms tycoons are asking: who will be next?

State prosecutor Augusto Lama, head of a vigorous investigation into the arms traffic, sees it as only the tip of the iceberg.

The Valsella affair, exposing a bizarre network of international arms peddlers, bribed officials, Iranian terrorists and Mafia gun-and-drug smugglers has shocked Italy, sparking calls for tough new laws on arms exports and the firing of Ministers who oversee such sales.

It has also spread dismay in the Turin boardrooms of Fiat, which controls 50 per cent of Valsella. Gianni Agnelli's industrial empire, freshly escaped - at some cost - from its unhappy partnership with Gaddafi's Libya, has no wish to be entangled in this new aid-the-terrorists scandal.

Fiat quickly tried to distance itself from its subsidiary by saying that it was "not involved in the running of Valsella and knows nothing of arms shipments to countries at war."

The state prosecutor's response was that Fiat should have known. Arms tycoon Borletti, 65, is a Fiat director.

"The Valsella group actually put in a formal request to the government last February for a huge increase in mine production - some two million," said a prosecution official. "Where did Fiat chiefs imagine they were going?"

The Borlettis are one of Milan's best-known society families. Ferdinando, present patriarch of the dynasty, is a long-time friend of the Agnellis, with many powerful political allies.

Under questioning in a Tuscan jail all last week by state prosecutors,

father and son stoutly maintained their innocence.

The prosecutors charge that in at least two major deals, Valsella knew that its consignments were travelling by the "triangle system." The weapons, with a legal end-user certificate, are shipped to some country outside Italy's embargo laws. Then - after money has changed hands - they travel on, to the Gulf.

Judge Lama's investigators accept that official papers say that a 1986 shipment of 30,000 mines was destined for the Nigerian Army, but they charge that these mines ended up in Iran, after passage through Syria. The satisfied customers then placed a fresh order for another two million sea and land mines.

A Barcelona firm called Boviga formed the apex of the next triangle. Payment was arranged through Swiss banks, and again the mines found their way through Syria to Iran. Investigators say they have proof that Valsella executives knew the ultimate destination of the arms.

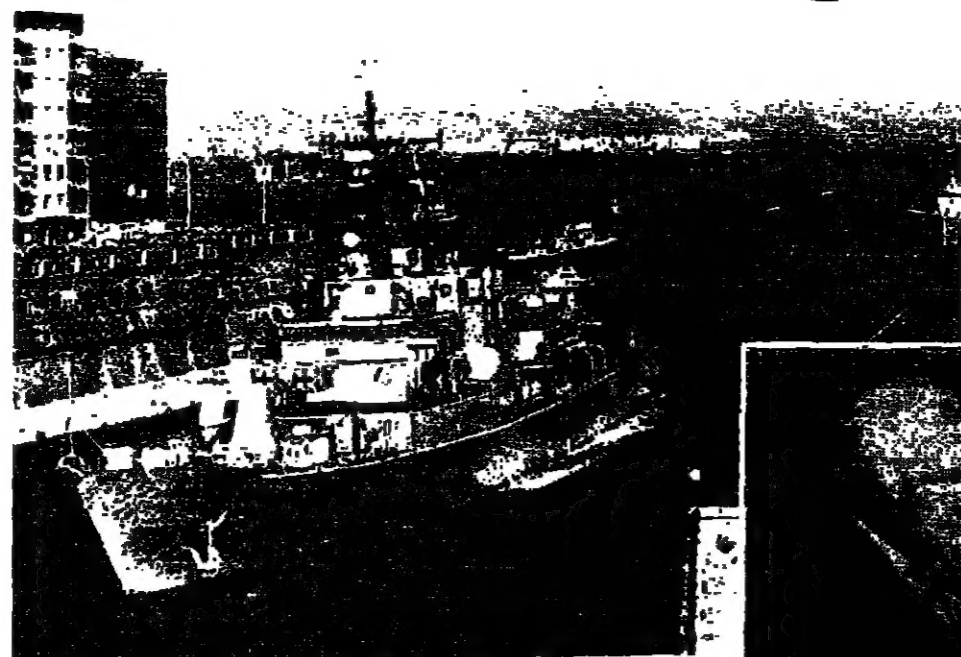
That "proof" - at least the crucial part of it - was found, the state claims, in dozens of documents abandoned in a hotel room by the mysterious middleman and prime mover in these and other arms deals, one Aldo Anghessa.

On September 2, Anghessa, 45, a playboy wheeler-dealer with a chequered past, was in the Adriatic port of Bari, on Italy's heel, awaiting the arrival of a rickety Lebanese cargo ship the Boustany. Also waiting were Italian customs, police and carabinieri.

The customs got there first. On board, hidden among tons of scrap metal and in secret compartments in the hull was found a stack of weapons that included Soviet grenade-launchers, anti-tank bazookas, an American-made anti-helicopter missile, plus various guns, anti-personnel mines and missiles of Italian manufacture. These, said the police, had been sold originally to Iran through the triangle system, and were now on their way back to equip Middle Eastern terrorists in Italy and across Europe.

What police had not expected to find aboard Boustany I was the cache of drugs: 55 pounds of hashish and four-and-a-half pounds of pure heroin, worth several million dollars and clearly destined for the Mafia.

It was the first time officials had uncovered proof positive of long suspected Mafia involvement in underground arms running. The two trades run in tandem, and for the past 18 months, since the Rome airport massacre that left 13 dead, state prosecutors have been following up suspected links between the Sicilian drug smugglers and the Mid-



Italian warships leave for the Gulf yesterday; Fiat Chairman Gianni Agnelli. (Reuters)

## A bizarre network of international arms peddlers, bribed officials, Iranian terrorists and gun-and-drug smugglers.

die Eastern arms buyers. The Rome slaughter has always been considered the work of the Abu Nidal gang, and Italian police believe the same group was awaiting the current shipment.

The other coup of the week was the evidence left by the shady Anghessa, who was in touch by radio with the Boustany I when it entered Italian waters. Investigators say that the documents left in his hasty flight from a room in Bari's Windsor Hotel provided ample evidence that Valsella knew that its mines were bound for Syria.

But was Anghessa a double agent? Anghessa, who holds Italian and Swiss passports and conducts his business in fluent English, has been widely identified as a Swiss police informer - which Swiss officials deny. It is known that he "escaped" some years ago from a Swiss jail, where he was serving time for fraud, then reappeared in Lebanon, with every sign of affluence, offering to arrange arms deals for interested groups in interesting ways.

That Anghessa was in regular contact with executives of Valsella is reportedly proved by police wiretaps. He must have known that Valsella had been badly hit by Italy's ban on sales to Iran and Iraq three years ago. According to a Fiat spokesman, Valsella's sales are still

dwindling, from \$18.6 million last year to a predicted \$3m. In 1987, yet only last February the company asked Rome authorities for permission to increase production to meet "a big military order," which prosecutors believe was the two million mines destined for Iran.

If Italian mines damage Gulf shipping in coming weeks, it will be no novelty. Iran uses made-in-Italy Sea Killer missiles, one of which smashed through the 82,000-ton Korean tanker Astro Pegasus two weeks ago, hoisting several layers of steel plating and spraying the crew with shrapnel.

"This is a grave moral issue for Italian business," says Massimo Teodori, a Radical Party leader. "Other arms firms are operating on the fringes of legality. Such deals don't go through without money changing hands in Government offices. High officials have been protecting dealers, with the secret service turning a blind eye."

Despite the shock waves rolling through the Italian business world, no one expects Fiat, with interests in almost every aspect of the economy, from cars to tourism agencies to bio-engineering to weapons, to be seriously harmed. Whatever Valsella's fate, the company is only one of many irons in Fiat furnaces. (London Observer)

## BUSINESS BRIEFS

### Union exec is deputy of Leumi unit

Yehoshua "Shuki" Nagrin, the head of the senior staff committee of Bank Leumi, has been appointed as deputy general manager of Leumi Mortgage Bank, the group's home-loan arm.

Nagrin and the leader of the rank-and-file staff committees, Louis Roth, became nationally known earlier this year when they led a campaign to remove the heads of the bank, in the wake of revelations about the salary and perks of former Leumi chairman Ernest Japhet and other senior executives.

The appointment was a clear signal from Leumi's chief executive officer, Bino Zadik, that the norm whereby staff committee leaders spend all their time on staff business and not on their official job will no longer be tolerated. Some 15 staff committee officials are believed to be in this category.

TWO MORTGAGE BANKS last week announced a reduction in the rates of interest they charge unsubsidized borrowers.

Development Mortgage Bank, a member of the Discount Group, dropped its rates on loans for up to six years to 10.75 per cent, index-

linked, per annum. For loans from six to 15 years, the rate is now 11 per cent.

Merav and Atsmaut, which belong to the First International Group, are also offering loans for up to 15 years at 11 per cent, instead of the 10-year loans costing 12.25 per cent they formerly offered. They have raised the maximum sum available for loans to NIS 55,000, in line with the current Bank of Israel limit for mortgage loans.

Merav claims that it will, in certain undefined cases, extend its loans for as long as 20 years.

DUTCH ECONOMICS and Tourism Minister Albert Jan Eindhoven is due to arrive in Israel today to conduct talks with Justice and Tourism Minister Avraham Shafir. It is expected that the discussions will lead to the signing of a tourism accord between Israel and the Netherlands.

The two ministers will discuss bilateral tourism and promotion of tourism from third countries, primarily the U.S. and the Far East, and initiating exchanges of students in tourism-industry training programmes.

Over the past two years, Shafir has had similar meetings with counterparts from the U.S., Egypt, France, Britain and the Philippines.

A BROCHURE IN ARABIC, entitled "You and Tourism" has been published by the information department of the Tourism Ministry and is being circulated among the Arabic-speaking staff of the country's hotels to familiarize them with the full array of tourist services.

### Sting swigs Kirin

## Western stars grace Japan's ads

By GRAHAM EARNSHAW  
TOKYO (Reuters). - British pop star Sting takes a swig from a can of Japanese beer and says with great feeling: "Together."

For that one word, uttered in an advertisement for Kirin beer, Japanese ad executives say Sting was probably paid about \$250,000.

But he is far from being the highest paid of the many Western stars lured into Japanese advertising. Madonna is probably the current record holder, say advertising people. She recently danced her way through a television commercial for Mitsubishi video cassette recorders in a deal that may have boosted her bank balance by \$1 million.

Japanese companies love to use Western stars to give their products that special appeal. And most of the big names from the West seem happy to oblige, even though many wouldn't think of appearing in similar ads at home.

There is Paul Newman, blue eyes twinkling, saying "my main card" for Fuji Bank, Sylvester Stallone selling Sanraiki Ocean whisky. Julian Lennon sells Fuji film. Sean Connery hams and Brooke Shields hits sets.

"In the U.S. they can lose some of

their reputation by appearing in such ads, but there is not so much of that risk here," says Shinobu Ina, a senior ad executive with Dentsu's, Japan's largest ad agency.

Japanese ad men choose their Western stars carefully. They must be well-known in Japan, good-looking and free of "image" problems.

Take Boy George, for example. Last year, he was to be seen in advertisements everywhere in Japan dressed in vaguely Arab garb and hawking a brand of Japanese rice wine. Then came his brush with the law in London over alleged heroin abuse. The ads were immediately dropped.

Madonna's image in Japan, however, was unaffected by the nude photographs published by Playboy and Penthouse magazines. In fact, in a country where soft porn is everywhere and almost respectable, the publicity probably did her a bit of good. "Those pictures were not a problem," says another Dentsu executive. "In Japan that is not considered something to be ashamed of."

The question of why foreign stars are so popular in Japanese advertising is harder to answer. "Japanese people have a big inferiority complex about Westerners," one Japanese journalist says bluntly.

Dentsu's Ina is more circumspect, but he seems to agree.

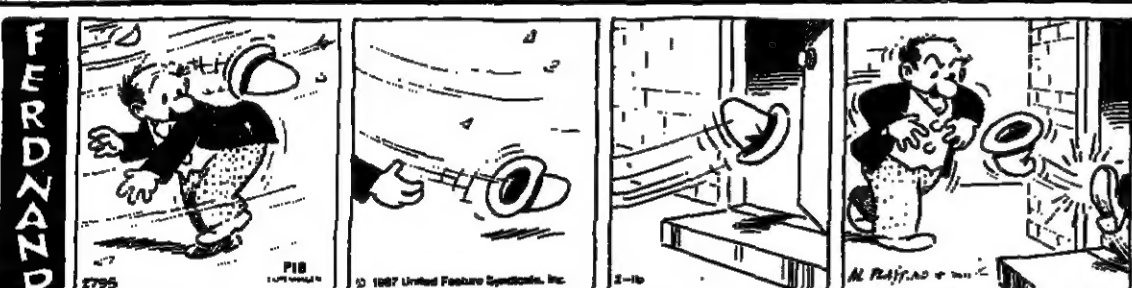
"There is a sort of complex for the Japanese," he says. "For example, as a whole, Japan may have a reputation in the world as being economically very successful. But on an individual basis, the average Japanese consumer does not yet feel that his lifestyle is on a par with that of the West."

But veteran ad man Bernard Barber, of McCann-Erickson Hakutohodo Ka, disagrees. "Inferiority complex? I don't think so. That is a very Western point of view. Foreigners are used in advertising all over the world. And I'm not sure young Japanese see them as foreign stars," he says.

"Madonna is just Madonna. She is on their hit parades like she is on other hit parades. The reaction is not that this is an ad with a foreigner in it, but an ad with Madonna in it. These are famous people in Japan just as anywhere else."

A Dentsu executive has another explanation.

"Foreign is interesting," she says. "This is a very competitive market and companies will do anything to stand out. Japan is full of Japanese faces, so a foreign face makes a commercial stand out." (Reuters)



## CROSSWORD

### ACROSS

- 1 Following cut-back hires new and shining equipment (8)
- 5 Having business with Her Majesty, appears less relaxed (6)
- 9 The basic necessity for a suit (8)
- 10 Write about love before the fifties - a bit of a hamster (6)
- 12 Spain's the wrong setting for actors (9)
- 13 Wound a virtuous man in middle-age (5)
- 14 Grab a weapon after 17 down gets hurt (4)
- 16 Given a back seat (7)
- 19 A person after 21 across is more artful about decoration (7)

### DOWN

- 1 Moderately sober man interrupting the game (6)
- 2 See it before returning, causing delay (6)
- 3 Thoroughly wet, but set to break record (5)
- 4 Call late with application (7)

### YESTERDAY'S SOLUTION

- 1 Go on a strict diet, quickly! (4)
- 2 He wrote some lines - Bill's written back (5)
- 3 Shoot ermine and lag when sorted (9)
- 7 A match for Zed (6)
- 8 Refuse to take 22 down around vessel (8)
- 9 Preservationists in Ireland are not split (6)
- 10 Bishops make report in an added note (8)
- 11 Moderately sober man interrupting the game (6)
- 12 See it before returning, causing delay (6)
- 13 Thoroughly wet, but set to break record (5)
- 14 Call late with application (7)

### QUICK SOLUTION

- ACROSS: 1 Rejoice, 4 Beasts of Heaven, 10 Convert, 11 Groom, 12 Funt, 13 Ireland, 15 Inch, 17 Mamma, 19 Kappa, 22 Mean, 25 Decided, 27 Unset, 29 Claret, 30 Irresumable, 31 Stop, 32 Glad, DOWN: 2 Enma, 3 Griffin, 5 Eagle, 6 Uplate, 7 Acute, 8 Spike, 9 Study, 14 Rhea, 16 Name, 18 Account, 20 Smoked, 21 Edict, 23 Elbow, 24 Steed, 26 Balsa, 28 Sword.

## QUICK CROSSWORD

### ACROSS

- 1 Woo
- 4 Touch down
- 9 Violinist
- 10 Male singer
- 11 Noddy
- 12 American plain
- 13 View
- 14 Grieve
- 16 Strong wind
- 18 Attempt
- 20 Exonerate
- 21 Detail
- 24 Musical entertainment
- 25 Orator
- 26 Go round
- 27 Chic

### DOWN

- 1 Hot drink
- 2 Below
- 3 Infuriate
- 5 Lash out
- 6 Widespread
- 7 Objective
- 8 Fumble
- 13 Sturdy
- 15 Deference
- 17 Tilt
- 18 Curt
- 19 Come out
- 22 Hungarian wine
- 23 Litter

## GENERAL ASSISTANCE

### EMERGENCY PHARMACIES

Jerusalem: Hadassah Hospital, Mt. Scopus, 818111; Belsam, Safah Eddin, 27131; Shu'fat, Shu'fat Road, 810108; Dar Alawa, Herod's Gate, 282058; Tel Aviv: Bavi, 1 Uziel, corner 10 Toledo, Bavi neighbourhood, 440522; Kupat Holim Clalit, 7 Amsterdam, 232383; Tel Aviv: Kfar Sava, No details available; Netanya: Netanya, 11 Herzl, 22842; Krayot area: Motzkin, 64 Sderot Hashofim, Krayot Motzkin, 757243; Haifa: Haifa, 33 Haifa, 333312.

### DUTY HOSPITALS

Jerusalem: Bikur Holim (pediatric), Hadassah Ein Kerem (internal, obstetrics, surgery, ophthalmology, E.N.T.), Hadassah Scopus (orthopedics); Tel Aviv: Rikah (pediatric, internal, surgery); Netanya: Laniado

### POLICE 100

Dial 100 in most parts of the country. In Tiberias dial 524444, Krayot Shmona 4444.

### FIRE 102

In emergencies dial 102. Otherwise, dial number of your local station as given in the front of the phone directory.

### FIRST AID 101

Magen David Adom  
In emergencies dial 101 in most parts of the country. In addition:  
Ashdod 81332 Jerusalem 523133  
Ashkelon 23333 Krayot Shmona 44442  
Bat Yam 561111 Krayot Shmona 44442  
Beersheba 74767 Nahariya 823333  
Carmel 989555 Netanya 233333  
Dan Region 781111 Pessah Tikva 9221111  
Eilat 72333 Rehovot 451333  
Haifa 22333 Rishon LeZion 42333  
Haifa 512233 Safed 930333  
Hatzor 936333 Tel Aviv 969111  
Holon 202133 Tiberias 780111  
• Mobile Intensive Care Unit (MICU) service in the area, around the clock.

Emergency Medical Service: Tel. Jerusalem 227171, Tel Aviv 5481111 (children) 03-227171, Haifa 22222, Beersheba 418111, Netanya 36316.

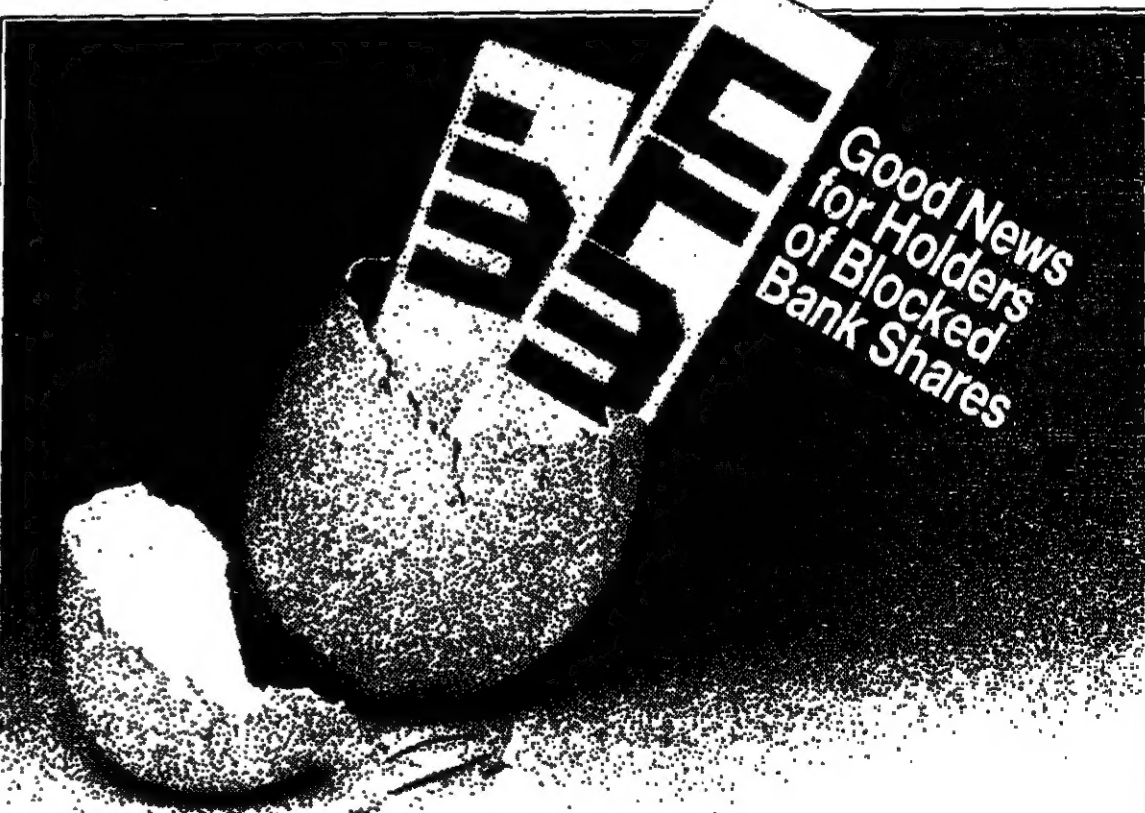
Rape Crisis Centre (24 hours), for help call Tel Aviv 234978, Jerusalem - 265554, and Haifa 680111.

The National Poison Control Centre at Rambam Hospital, phone (04) 525205, for emergency calls, 24 hours a day, for information in case of poisoning.

Kupat Holim Information Centre Tel. 03-433300, 433300 Sunday-Thursday, 8 a.m. to 8 p.m. Friday 8 a.m. to 3 p.m.

### FLIGHTS

24 - Hours Flight Information Service: Call 03-9712484 (multi-line), Arrivals Only (Taped Message) 03-381111 (20 lines)



If you hold blocked bank shares, you will recall that at the end of October 1989 you may receive an amount in new sheqels (NIS) equal to \$134 for every \$100 worth of shares held by you on October 6 1983.

You also have a right of early redemption in respect of these shares. If you exercise this right and give notice to your bank by October 20 1987 you will receive at the end of October a sum in new sheqels (NIS) equal to \$112 for every \$100 worth of shares held by you on October 6 1983.

However, before deciding when to redeem your shares, you should be aware of the additional new advantages of the shares, which have changed them into a unique form of investment in the Israeli money market.

Now that you know all the terms, you can consider and decide for yourself what is best for you. If you prefer not to redeem your shares now and to enjoy the improved terms - just don't do anything! The improved terms will automatically apply to all the shares whose owners do not give alternative instructions to their banks.

**So don't redeem your bank shares before checking what is best for you.**

✂ Cut and keep, read before deciding

Ministry of Finance

הכרזת ממשלה



MARKET  
PLACE

PINHAS LANDAU

A passing  
squeeze

The weather has turned unseasonably hot, but that's not the only thing that's not working the way it should.

The financial markets, as Friday's column discussed, are all agog over the jump in interest deposit rates. After further investigation, Market Place offers the following commentary on the situation as it stood yesterday morning. While being the consensus view, it is far from unanimous. The publication of the August consumer price index at 1.2 per cent, more or less in line with expectations, should not in itself cause things to change.

• The worst of the run-up in rates is already behind us. After touching 20 per cent per annum, "jumbo" rates are now around 18 per cent, with 19 occasionally available.

• The trend is likely to be irregularly lower over the next few weeks. Leumi and Hapoalim both say they are not justifying for funds at current levels. But No. 1 is that there are conflicting forces at work on the liquidity levels of the banking system. The payment of value-added tax, National Insurance Institute dues and income tax yesterday will drain large sums of the system over the coming days.

On the other hand, the government has promised to pay public-sector salaries before Rosh Hashana, and this will pump money back into the banks. Beyond that, however, are end-of-quarter interest rate debits which will cause a further outflow.

But No. 2 is that even if rates do trend lower, they are very unlikely to regain their lows of two weeks ago. The autumn months of higher inflation will lead to drive money away from unlinked investments, as will fears of a devaluation towards the end of the year. Higher yields are the only way to counter this.

But No. 3 is that the arcane method by which the banks' liquidity is calculated at the Bank of Israel can and does introduce its own distortions. Bank Hapoalim's urgent need for funds at the beginning of this month stemmed from this problem.

• The fact that underlying rates have gone and will stay above the August lows means that bank profit margins are being squeezed. July and August were good months for the banks, in line with the whole of the first half. From now on, things may be less rosy.

• The jump in returns on jumbo deposits is gradually spreading through the whole deposit base. Once the banks realized it wasn't a flash in the pan, they moved to raise rates across the board - with Bank Leumi taking the lead - to achieve a new balance in sources of funds. No bank wants to be overly dependent on the jumbos, which represent highly volatile money working on an overnight basis with the ability to be here today and gone tomorrow to the highest bidder.

At this stage, however, and assuming that rates do gradually move down, there is no intention or desire to raise the prime rates.

• But some borrowing rates will rise in price. The visibility of the cheap-loan programmes that the banks are now pushing as hard as they can is being rapidly reduced. The chances are that they will soon be wound up, because they are based on the availability of cheap deposits, which is now a thing of the past.

Some bankers can't take the strain of living in a genuine money market and are already hankering for the old days, when they simply had to follow the central bank's dictate. Murrurs can even be heard bemoaning the loss of Victor Medina. "At least in his time, you knew where you were, said one chap who had obviously decided that the new Bank of Israel hands-off policy didn't suit him at all. But the chances of turning the clock back are negligible.

Solel Boneh:  
Severance pay  
wasn't huge

By JEFF BLACK

For The Jerusalem Post

Solel Boneh officials yesterday angrily denied a press report that individual workers who had been dismissed had received up to \$200,000 in compensation. The officials refused to discuss the report, saying all its figures were incorrect.

Instead, the officials said the construction firm's recovery programme has cost the Histadrut-owned building concern around \$58 million in compensation.

Since the beginning of last year, 4,700 permanent workers have left Solel Boneh, taking an average \$12,500 in compensation. Although the company shed staff from all its departments, most of the dismissed workers came from the building sector where wages are generally low.

## Mizrahi launches trading

## First day of dollar forwards

By PINHAS LANDAU

Post Finance Reporter

United Mizrahi Bank's new dollar/shekel forward contract, called "Atidit" and the first ever in Israel, got off to a strong start at its first trading session yesterday.

It attracted more than \$2 million worth of business, with prices being fixed around NIS 1.66 to the dollar for the December 1987 contract and NIS 1.71 for the March 1988 contract.

Mizrahi officials expressed satisfaction with the level of interest shown in the new financial instrument, which they claimed included other banks, as well as business

executives and investors.

They stressed that it was the first time bids and offers to buy and sell a shekel forward contract had been invited, which means that there was no existing price for the orders to be based on. This accounted for the fact that the majority of orders were at limits above or below the prices ultimately fixed, and hence were not executed.

"The main achievement so far has been the degree of interest aroused," said a senior executive.

To further spread the message, Mizrahi is organizing a seminar at the Carlton Hotel in Tel Aviv Monday afternoon, at which bank offi-

cials and members of the independent advisory board set up to monitor the trading and development of the contract will deliver talks and answer questions. The exact buying and selling prices fixed were as follows: The dollar representative rate at 1.5998, the December 1987 contract at a buying price 1.662 and selling 1.652 and the March 1987 contract at a buying price of 1.718 and selling price of 1.705.

Businesses who buy and sell contracts will be able to include commissions, as well as trading profits or losses, as part of their regular income and expenditure for tax purposes.

Work on  
Lavi avionics  
may go on

JOSHUA BRILLIANT

Post Defence Reporter

TEL AVIV - Defence Minister Yitzhak Rabin was reported yesterday to be "favourably considering" continued development of the Lavi's avionics system, though he was adamant on shelving other elements of the multi-billion dollar project.

A statement issued by the Defence Ministry after Rabin met IAI Chairman Mordechai Hod and Director-General Moshe Keret said the minister was "positively considering" the proposal to continue development of some of the avionics systems connected with the Lavi.

However, a senior IAI source who attended the meeting told The Jerusalem Post the idea was to complete - not just continue - development so that the technological know-how would be retained and Israel would "at least have a complete avionics system." Three quarters of its development budget had already been spent and continuing work would provide jobs for some 400 workers, he added.

Rabin also pledged to "assure" the IAI's technological and production capability in the fields of research, development, production and improvement of aircraft and weapons systems. The Defence Ministry's statement did not detail but is known to include increased work on upgrading Israel's Phantom 2,000 project.

Meanwhile, a well placed defence source told The Post it was not certain Israel would cancel the agreements with American companies producing parts for the Lavi. Belagations left for the U.S. to examine the options and decide whether to stop the project and pay damages or let it run its course.

Yesterday's discussion at the Defence Ministry did not concern other plans, such as developing weapons the IDF wants instead of the Lavi, the IAI source said. But they did discuss plans to fire some 3,000 permanent workers and the source said he expected the procedure to begin "after Yom Kippur."

It will be a drawn out process because management will seek workers willing to leave.

## CLASSIFIED

## DWELLINGS

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TOP SALARY TO TOP English typists. Short-hand, telex and word processor operators. Immediate employment, flexible hours. Translators' Pool, 100 Ben Yehuda St., Tel Aviv. 9 a.m.-2 p.m. Tel. 05-221214, 05-234265/67, 04-667267.

## SITUATIONS WANTED

CHEF ACCOUNTANT SEES a position (Israel/Abroad). P.O.B. 2343 Tel Aviv.

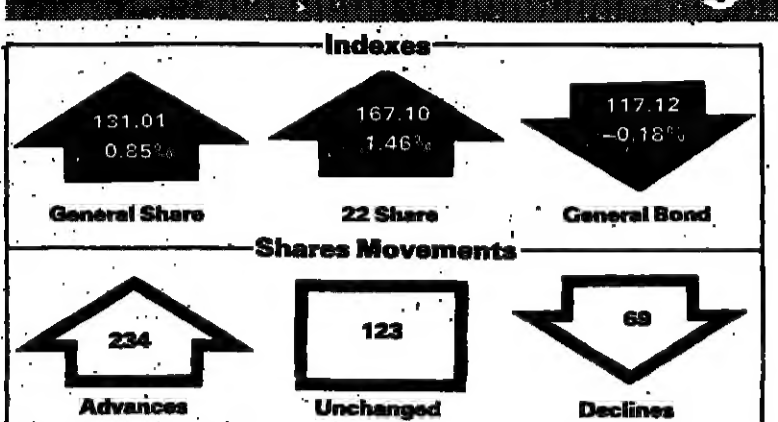
## MISCELLANEOUS

RAMOT, Jerusalem. 2 places left in small religious 2+ year old kindergarten in Ramot. Alph. Tel. 02-866254, 02-866541.

Highly Experienced  
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Qualifications:  
English as mother tongue. Shorthand essential.  
Hours: 8:30 a.m. - 4:30 p.m.  
Pleasant conditions, interesting work.  
For an appointment, phone 03-263175.  
Highest remuneration paid to the right people.

## Tel Aviv Stock Exchange



## Selected Prices

Name	Price	Volume	% change
<b>Commercial Banks</b>			
Bank Leumi	22800	5	+3.2
Bank Hapoalim	18234	17	-1.1
Bank Mizrahi	8200	1588	-
<b>Commercial Banks (cont.)</b>			
Bank Leumi	102700	504	+1.7
Bank Hapoalim	78011	107	+0.7
Bank Mizrahi	128278	307	+0.8
Bank Leumi	41950	378	+0.8
Bank Hapoalim	68720	670	+0.4
Bank Mizrahi	173500	8	+0.1
Bank Leumi	43862	888	+0.7
Bank Hapoalim	16270	-	-
<b>Mortgage Banks &amp; Finance</b>			
Bank Leumi	10450	60	-
Bank Hapoalim	270	1080	-
Bank Mizrahi	3750	810	-
Bank Leumi	20040	158	+3.1
Bank Hapoalim	9470	38	+0.4
Bank Mizrahi	14540	100	+4.3
Bank Leumi	23201	122	+8.0
<b>Insurance</b>			
Bank Leumi	1248	983	+2.3
Bank Hapoalim	710	197	-
Bank Mizrahi	3872	30	+1.0
Bank Leumi	2185	30	+1.0
Bank Hapoalim	4118	2115	+2.0
Bank Mizrahi	120	38	-
Bank Leumi	610	-	-
<b>Trade &amp; Services</b>			
Bank Leumi	1088	4485	-
Bank Hapoalim	1080	2747	+4.3
Bank Mizrahi	826	1827	-
Bank Leumi	14100	1204	+4.1
Bank Hapoalim	818	1280	+0.1
Bank Mizrahi	1218	2222	+4.8
Bank Leumi	1605	304	-
Bank Hapoalim	7800	438	-
Bank Mizrahi	2730	178	-
Bank Leumi	447	16533	+3.0
Bank Hapoalim	14800	-	-
Bank Mizrahi	720	898	-
<b>Real Estate, Building and Agriculture</b>			
Bank Leumi	385	1823	+4.3
Bank Hapoalim	57720	11	+1.1
Bank Mizrahi	3088	850	+5.1
Bank Leumi	8500	150	-1.0
Bank Hapoalim	826	1827	-
Bank Mizrahi	5170	854	+0.4
Bank Leumi	22500	114	+2.7
Bank Hapoalim	1710	110	+1.7
Bank Mizrahi	6700	145	-
Bank Leumi	1970	400	+1.0
<b>Industrials</b>			
Bank Leumi	3250	-	-
Bank Hapoalim	35150	15	-

Name	Price	Volume	% change
<b>Investment Companies</b>			
Bank Leumi	121000	-	-
Bank Hapoalim	1040	9613	-
Bank Mizrahi	38720	80	+1.5
Bank Leumi	3185	1231	+0.1
Bank Hapoalim	8301	68	+3.3
Bank Mizrahi	16700	204	+4.4
Bank Leumi	211	8527	+0.5
<b>Oil Exploration</b>			
Bank Leumi	30700	52	-
Bank Hapoalim	788	32455	+4.3
<b>25 Shares</b>			

Name	Price	Volume	% change
<b>First International</b>			
Bank Leumi	8857	800	+2.00
Bank Hapoalim	225	18000	+2.00
Bank Mizrahi	38720	80	+2.78
Bank Leumi	11808	1400	-1.50
Bank Hapoalim	2888	1120	+1.50
Bank Mizrahi	140	47785	+1.75
Bank Leumi	1315	10450	+2.25
Bank Hapoalim	3721	2400	+2.00
Bank Mizrahi	47785	70	+2.00
Bank Leumi	807	8800	+2.50
Bank Hapoalim	18234	600	+0.50
Bank Mizrahi	700	1130	+1.50
Bank Leumi	4441	510	+2.00
<b>Telecom</b>			
Bank Leumi	13267	2400	-0.25
Bank Hapoalim	3007	810	+1.50
Bank Mizrahi	301	19000	+3.75
Bank Leumi	402045	28	+1.25
Bank Hapoalim	14734	440	+1.75
Bank Mizrahi	258	82000	+2.00
Bank Leumi	10738	700	+2.25
Bank Hapoalim	10738	880	+2.25
Bank Mizrahi	5311	9450	+3.50
Bank Leumi	2880	3800	+2.25
Bank Hapoalim	1451	18000	+1.75

WORLD BANK  
PUBLICATIONS  
DISTRIBUTED IN ISRAEL BY  
THE JERUSALEM  
POSTPresenting the  
World Bank's  
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Business  
Opportunities  
Service

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year, allowances were paid monthly. The coming increment is expected to be about 5.5 per cent.

Last month's price rises brought the index to 179.6 points on a 1985=100 base line. Since the beginning of the year the CPI has risen by 10.1 per cent. If that pace continues in the coming months, 1987 will see an inflation rate of about 15 per cent. But bureau officials yesterday expressed doubts that the inflation rate for this year would be much lower than the 20 per cent figure of last year. They noted that the first 8 months of 1986 saw a cumulative inflation rate very similar to that registered since January 1987; in the last four months of 1986 the pace of price hikes accelerated, and a similar development could take place this year.

According to existing labour accords, a c-o-i increment is paid each

## CPI

time cumulative inflation since the last payment hits the 7 per cent mark. Compensation is calculated as 70 per cent of the increase in the index. Since the last allowance, which was paid early in April, the inflation rate has risen by some 6.8 per cent.

The coming c-o-i allowance may be the last paid under the conditions of the present accords, which expire on March 31. Private employers and the Treasury have on several occasions expressed their intentions to introduce major changes in the terms of the c-o-i allowance accords, arguing that this could help to bring down annual inflation to a single-digit figure.

The inflation figure for August was slightly higher than originally forecast. The Treasury had predicted a rise in the index of about 1 per

cent. But the Histadrut said the relatively high inflation figure of 1.2 per cent proved that its demand for stronger price controls was fully justified.

CBS officials said that contrary to regular seasonal trends the prices of fresh produce rose by 3.7 per cent last month. These prices traditionally show a very small rise during August. The unusual rise reflected a 19.2 per cent increase in the prices of vegetables during last month. Steep increases were registered in the prices of tomatoes, 27.7 per cent; cucumbers, 32.1 per cent; carrots, 23.5 per cent; beets, 17.4 per cent and lettuce, 13.5 per cent.

At the other end of the ladder, end of season sales of clothes and footwear led to a 6 per cent drop in their average prices. This cut 0.2 percentage points from the increase in the index, and thus prevented an early payment of a c-o-i allowance.

## Israel Money

Shekel Deposits (annual rates)						
Bank	Deposit Size	Per cent	7 days	14 days	30 days	
Last Updated Leumi (Sept. 11)	40-1,000	—	7.00	8.00	8.00	
	1,001-10,000	13.00	14.00	14.00	14.00	
	10,001-50,000	12.50	14.00	13.00	13.50	
	50,001-100,000	12.75	14.25	13.25	13.75	
	100,001-500,000	13.00	14.50	13.50	14.00	
Hapoalim (Sept. 7)	Up to 800	6.00	6.50	6.75	6.75	
	1,000-9,999	11.00	11.00	11.50	12.50	
	10,000-49,999	11.50	12.50	12.00	13.00	
	50,000+	12.00	12.00	12.50	13.50	
	60-999	6.00	6.00	8.00	9.00	
Discount (Sept. 6)	1,000-9,999	11.00	10.50	12.00	12.50	
	10,000-49,999	12.00	11.50	13.50	13.50	
	50,000-99,999	12.50	11.50	13.00	13.50	
	100,000+	9.00*	6.00	7.00	8.00	
	1,001-5,000	10.00**	8.50	9.50	12.00	
Mizrahi (Sept. 15)	5,001-10,000	11.00	11.00	11.00	11.00	
	10,001-50,000	12.00*	13.00	13.00	14.00	
	50,000+	13.50	14.00	14.00	15.00	
	10,000-49,999	8.10	8.90	9.50	9.90	
	1,000-9,999	11.00	9.90	10.20	10.40	
First Int'l (Aug. 10)	5,000-9,999	11.00	11.00	11.00	11.50	
	10,000-49,999	11.00	12.00	12.50	12.50	
	50,000+	12.50	12.50	13.00	13.10	



